

# BACS DIRECT DEBIT CONSULTATION OUTCOMES

## ANNEX 1 – QUANTITATIVE RESEARCH





IPSOS MORI  
SEPTEMBER 2016

# DIRECT DEBIT RESEARCH CONSUMERS AND SME

Final presentation



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# AGENDA

- 1 INTRODUCTION
- 2 CONSUMER FINDINGS
  - Overall usage
  - Understanding
  - The Direct Debit Guarantee
- 3 SME FINDINGS
  - Overall usage
  - Understanding
  - The Direct Debit Guarantee
- 4 EXECUTIVE SUMMARY
- 5 SEGMENTATION DEVELOPMENT

# RESEARCH TO EXPLORE CURRENT EXPERIENCES OF USING DIRECT DEBITS (DDS) AMONG CONSUMERS AND SMES

## Objectives

- To understand current experiences, knowledge and attitudes towards Direct Debits among users and non-users
  - Understand the opportunity
- Explore needs and expectations for the Direct Debit Guarantee
  - Understand the impact of change from an unlimited guarantee
- Use with consultation in late 2016 wider campaign and service development programmes

## Methodology

### Consumers

2060 x 7 minute consumer surveys with individuals, undertaken via Ipsos's face-to-face omnibus, *Capibus*, and weighted to be nationally representative

### SMEs

1000 x 10 minute online surveys with financial decision makers / influences across a range industry sectors and weighted to be representative by number of employees (0-250)

## SOCIAL CLASS DEFINITION AND WEIGHTINGS

### Social class definitions

A	Higher managerial, administrative and professional	Unweighted
B	Intermediate managerial, administrative and professional	Weighted
C1	Supervisory, clerical and junior managerial, administrative and professional	% *
C2	Skilled manual workers	
D	Semi-skilled and unskilled manual workers<	Unweighted
E	State pensioners, casual and lowest grade workers, unemployed with state benefits only	Weighted
		%

### Consumer social class weightings

AB	C1	C2	D	E
520	645	381	258	233
544	548	437	315	193
27%	27%	21%	15%	9%

### SME company size weightings

0	1-9	10-249
550	250	200
757	199	44
76%	20%	4%

\* Do not equal 100% due to rounding

## THE USAGE OF DIRECT DEBITS DIFFERS BETWEEN CONSUMERS AND SMES, SO RESULTS FROM EACH GROUP WILL BE REVIEWED SEPARATELY

*Proportion of total base that have each financial commitment AND is paid by DD*

### Top 5 usages of Direct Debits for Consumers

1	Utility bills (58%)
2	Internet/broadband/telephone (55%)
3	Mobile phone contract (54%)
4	Council tax (53%)
5	TV license (48%)

**Average number of different types of financial commitments**

**5.4**

**Average number of financial commitments paid for by Direct Debit:**

**4.3**

### Top 5 usages of Direct Debits in SMEs

1	Internet/broadband/telephone (52%)
2	Mobile phone contract (48%)
3	Utility bills (32%)
4	Insurance policies (26%)
5	Rent/mortgage (8%)

**Average number of different types of financial commitments**

**3.7**

**Average number of financial commitments paid for by Direct Debit:**

**1.8**

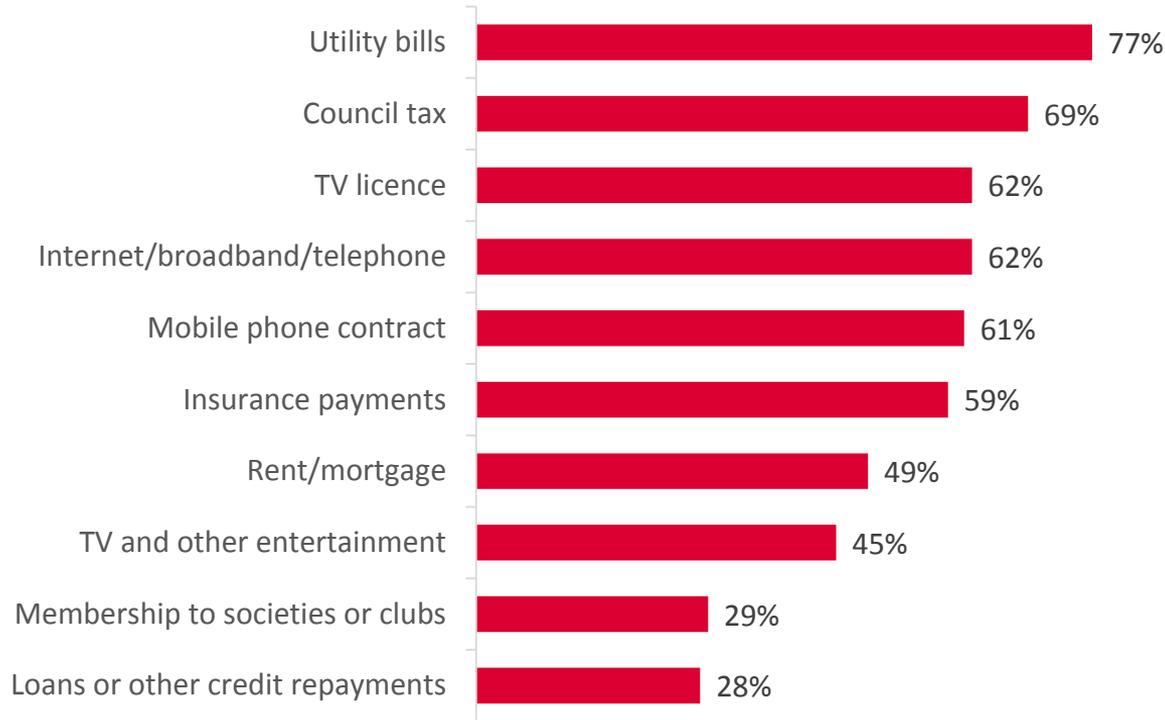
# CONSUMER FINDINGS

## - OVERALL USAGE



# A HIGH PROPORTION OF CONSUMERS HAVE MULTIPLE FINANCIAL COMMITMENTS, PEAKING AMONGST THOSE AGED 45-54

## Financial commitments



24% of those aged 16-24 do not have any of these financial commitments

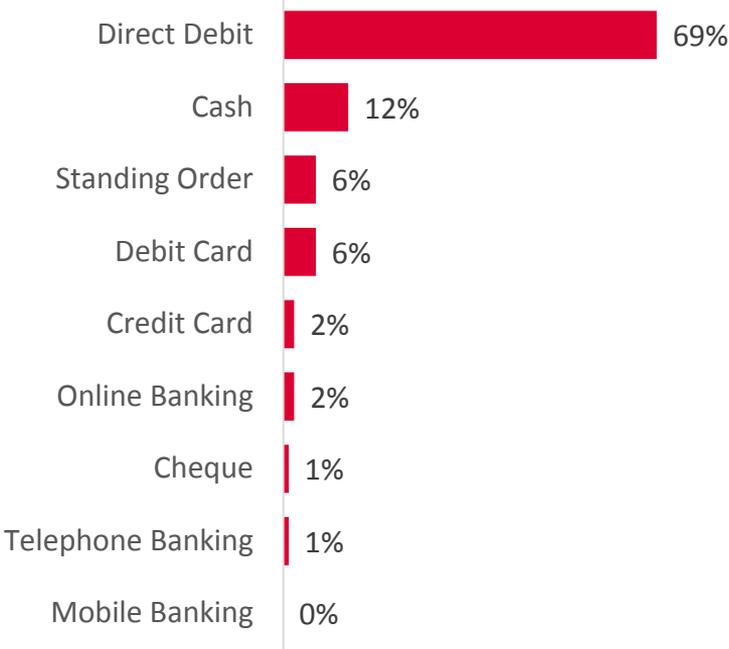
### Average number of different types of financial commitments:

16-24	2.7
25-34	5.6
35-44	6.3
45-54	6.6
55-64	6.0
65+	5.2

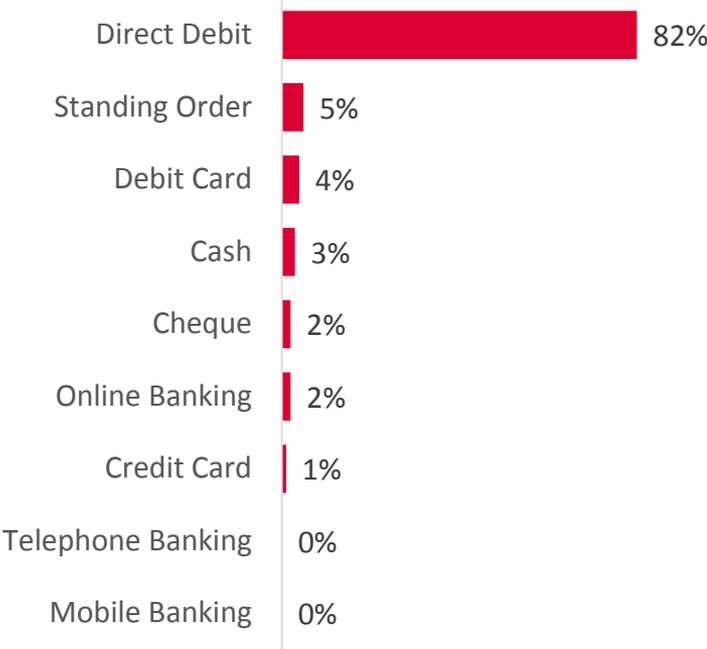
Q2. Which of these regular financial commitments do you? Base : 2037 (All respondents), 16-24yr (301), 25-34yr (337), 35-44yr (328), 45-54yr (347), 55-64yr (285), 65+yr (440)

# CONSUMERS WHO PAY RENT ARE LESS LIKELY TO USE DIRECT DEBIT COMPARED TO THOSE WHO OWN OR HAVE A MORTGAGE

## Consumers who rent



## Consumers who Own/Mortgage



 % of all financial commitments paid using that method

Q2. Which of these regular financial commitments do you have? Base : 2037 (All respondents), Rented (744), Own / Mortgage (1251)

# DIRECT DEBIT IS THE MOST COMMON PAYMENT METHOD ACROSS ALL FINANCIAL COMMITMENTS AMONG CONSUMERS

## Financial commitments



Cash



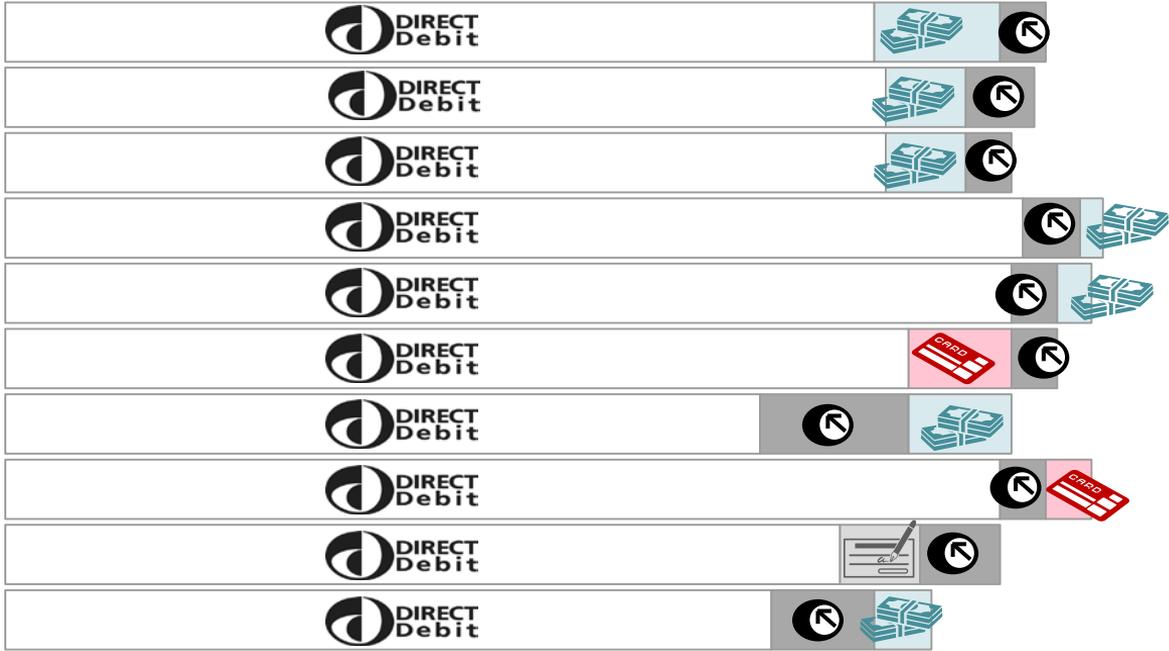
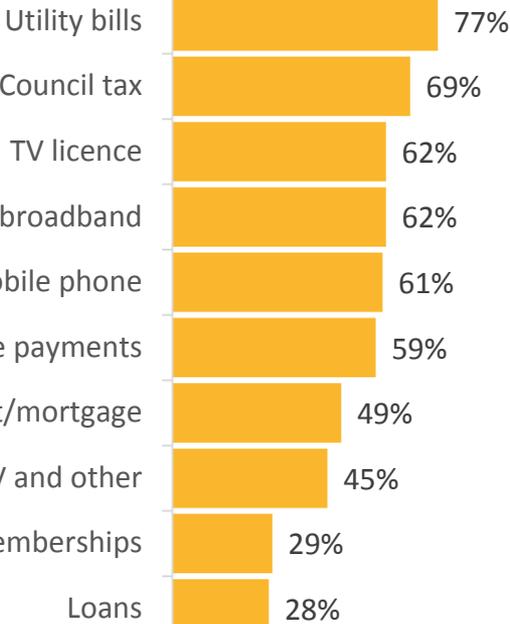
Standing order



Debit card



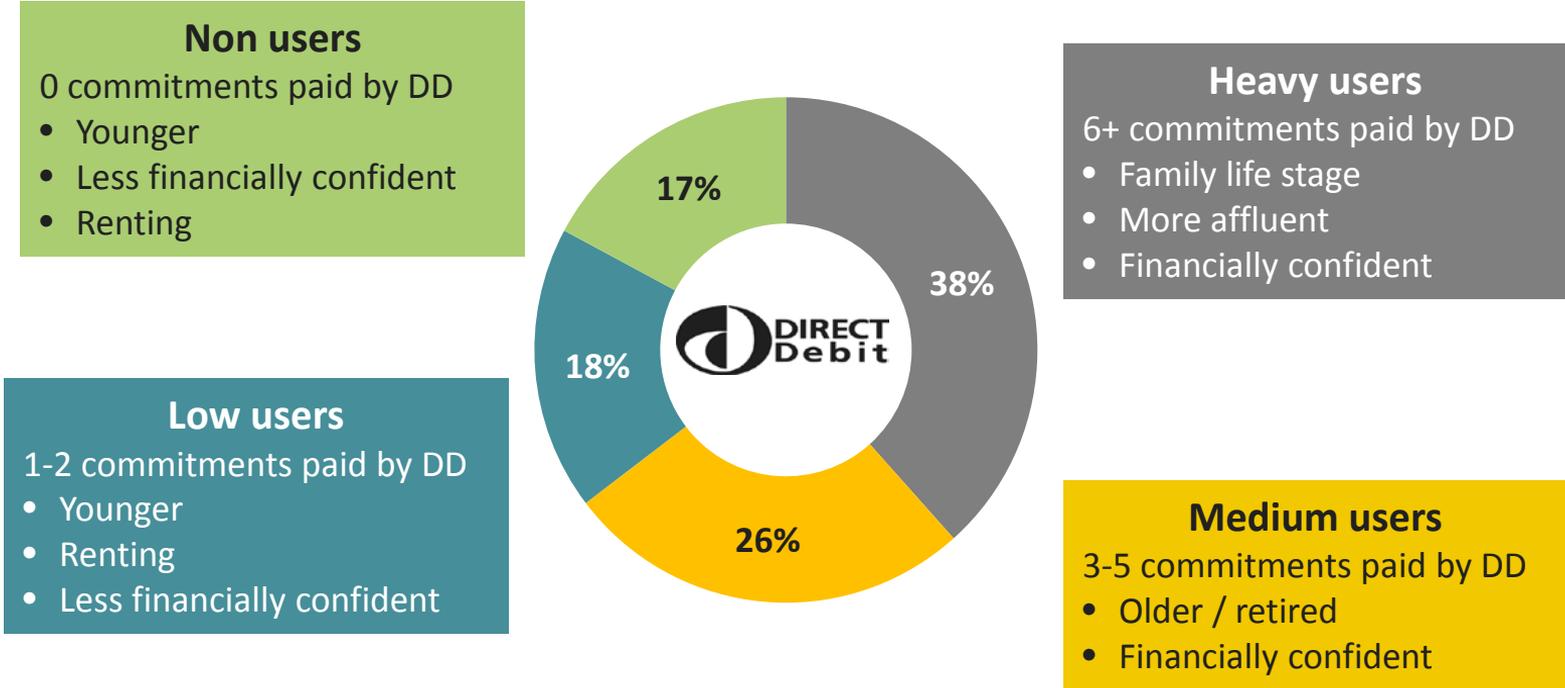
Cheque



Q2: Which of the following regular financial commitments do you personally have responsibility for, either on your own or jointly with someone else?

Q3: How do you typically pay your [bills]? Base: All respondents (2037)

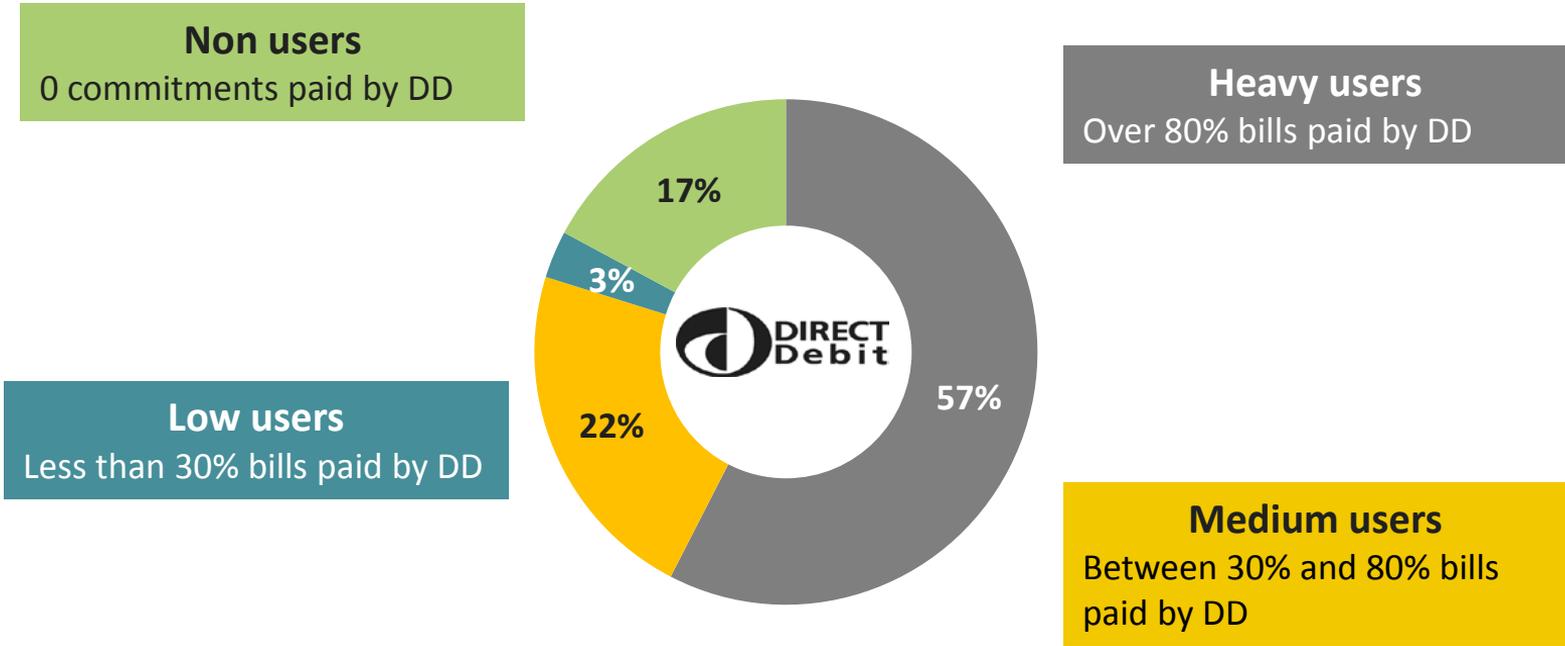
ALMOST 2 IN 5 CONSUMERS ARE HEAVY USERS OF DIRECT DEBITS; LOW AND NON USERS HAVE SIMILAR PROFILES



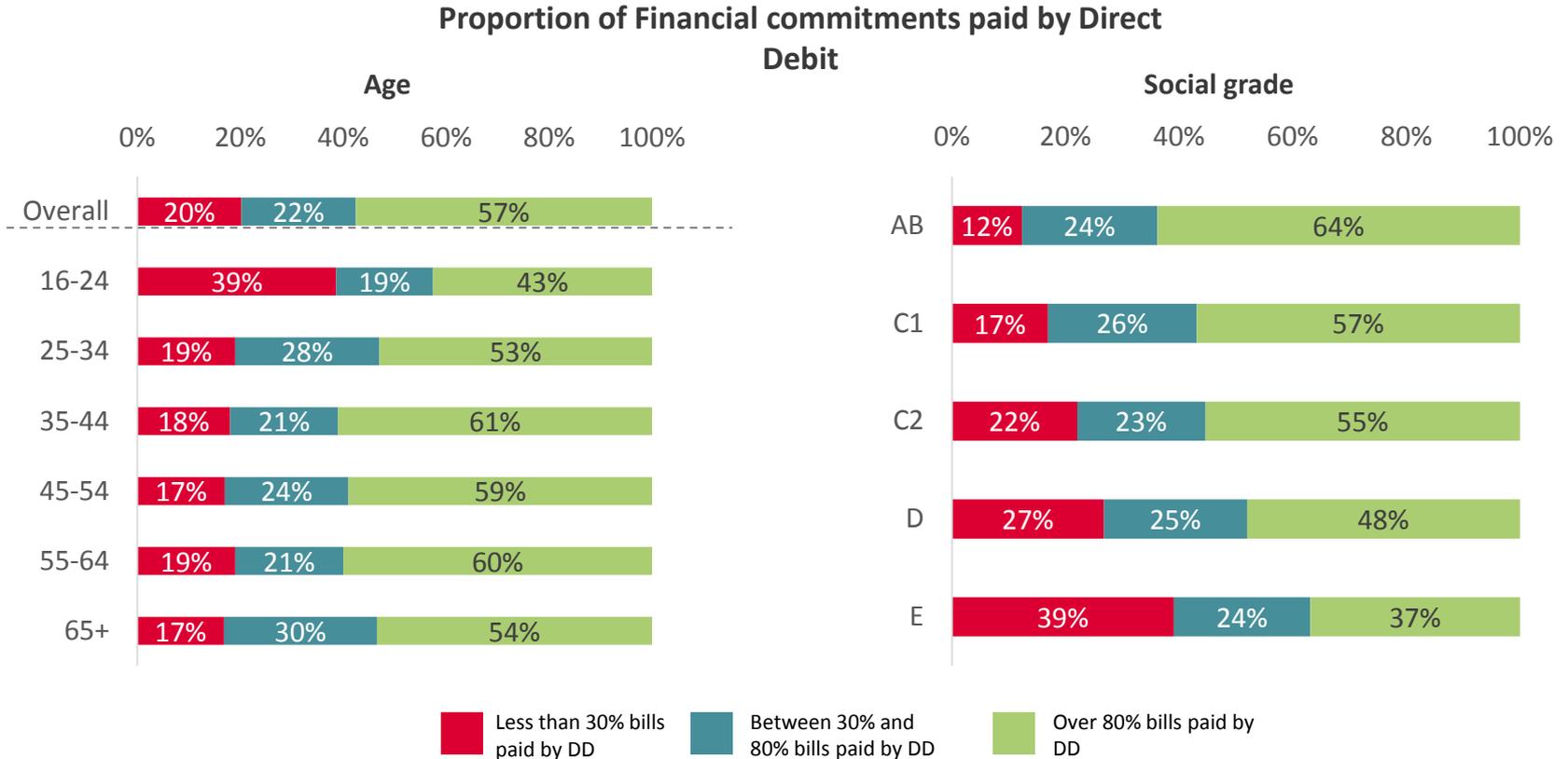
Q3, How do you typically pay for your bills? Base: All consumers. Heavy users 6+ DD (762), Medium user 3-5 DD (546), Low users 1-2DD (376), Non-users (344)

# OVER HALF OF CONSUMERS PAY MORE THAN 80% OF THEIR BILLS WITH DIRECT DEBIT

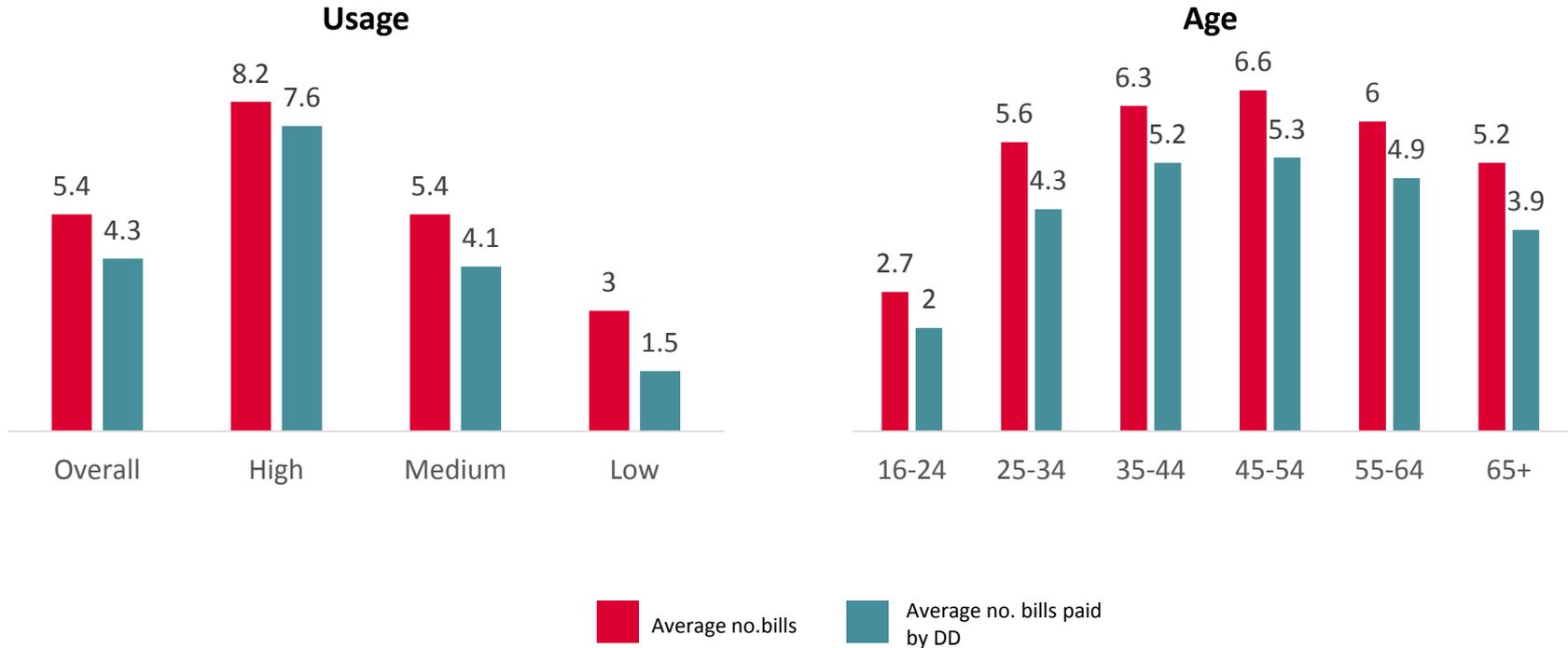
NB: Different definition of low, medium & high



# CONSUMERS WITHIN THE LOWER SOCIAL GRADES ARE LESS LIKELY TO PAY THEIR BILLS THROUGH DIRECT DEBIT

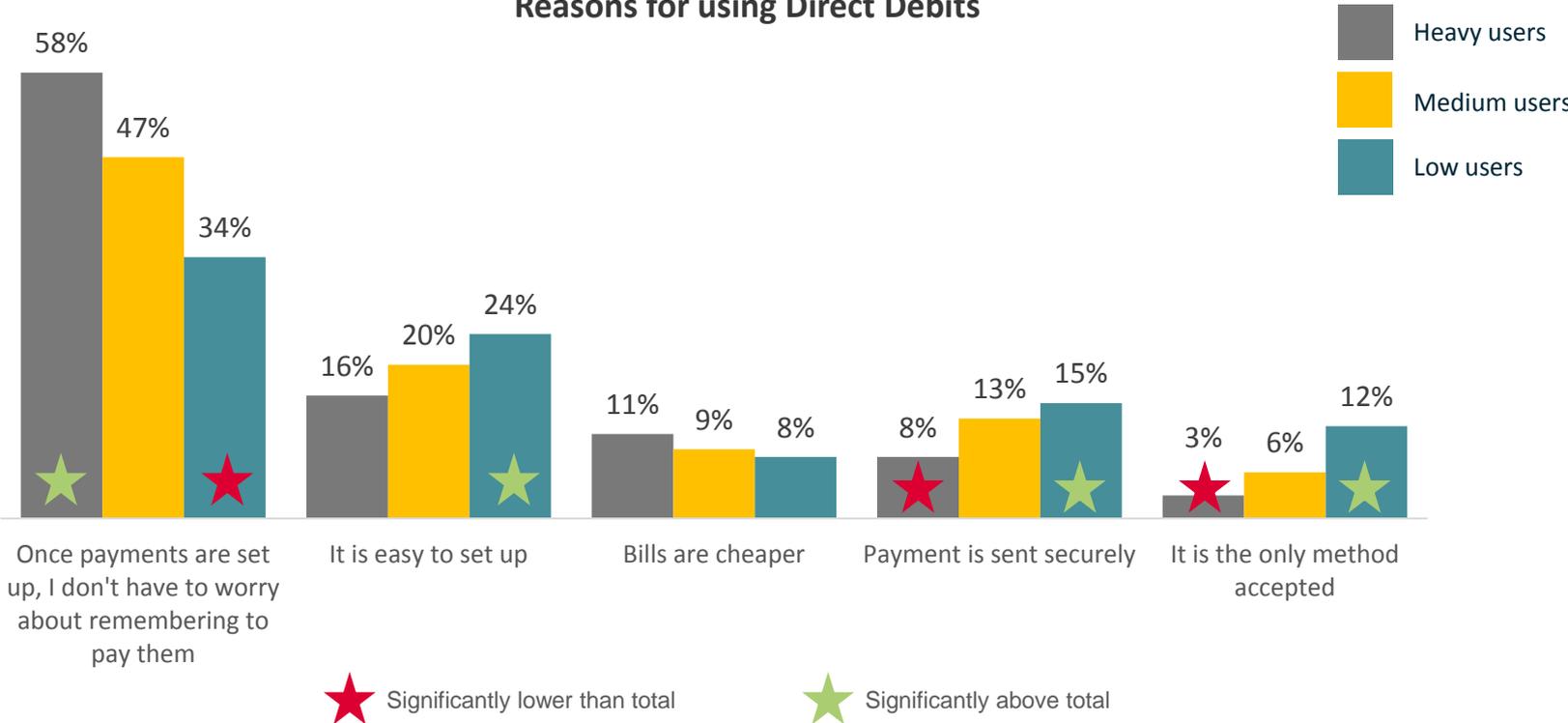


# ON AVERAGE, LOW USERS WILL ONLY PAY FOR HALF OF THEIR HOUSEHOLD BILLS WITH DIRECT DEBIT



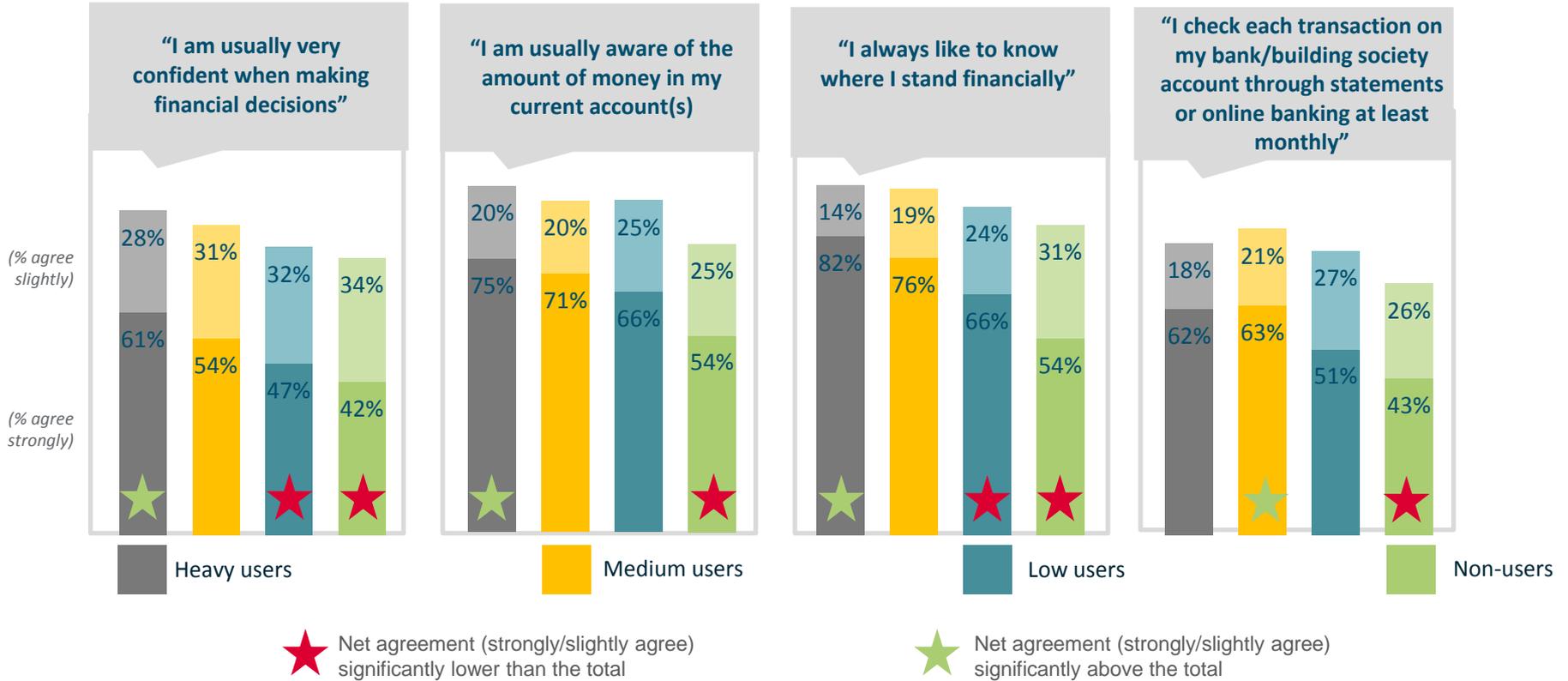
LOW DD USERS ARE MORE LIKELY TO BE DRIVEN BY THE EASE OF SETTING UP AND SECURITY THAN HEAVIER USERS, WHERE CONVENIENCE DOMINATES

Reasons for using Direct Debits

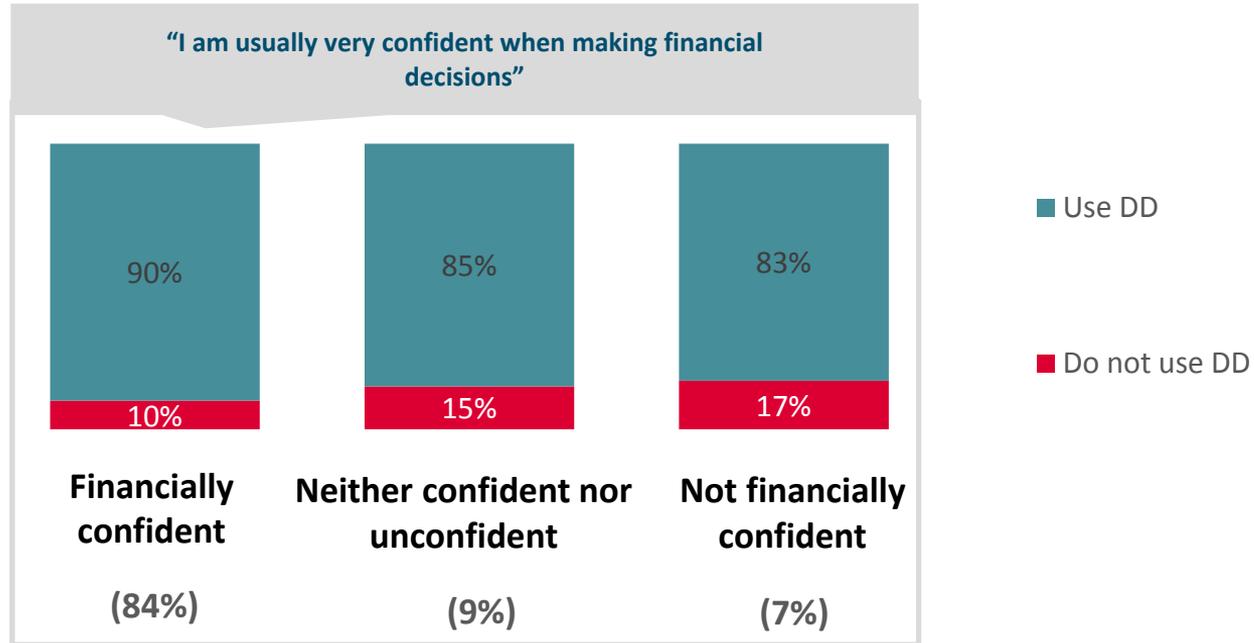


Q6a, Which, if any, of the following best describes why you use Direct Debits? Base: All consumers paying at least one bill by Direct Debit (1684), Heavy users (762), Medium users (546), Low users (376)

HIGH CLAIMED AWARENESS AND CONFIDENCE AMONG ALL USER TYPES ALTHOUGH NON USERS ARE LESS SOPHISTICATED WHEN IT COMES TO FINANCIAL MATTERS



## WHILE MORE FINANCIALLY CONFIDENT CONSUMERS USE DIRECT DEBITS, DIRECT DEBIT USAGE IS STILL HIGH AMONGST THOSE THAT ARE NOT FINANCIALLY CONFIDENT



Q2 – Which, if any, of the following regular financial commitments do you personally have responsibility for, either on your own, or jointly with someone else? Base: All respondents (2037). Q3– How do you typically pay your bills? Base: All respondents (2037). Q1.1 Agreement with statement: I am usually very confident when making financial decisions, Financially confident (1711), Neither nor (182) and Not financially confident (141).

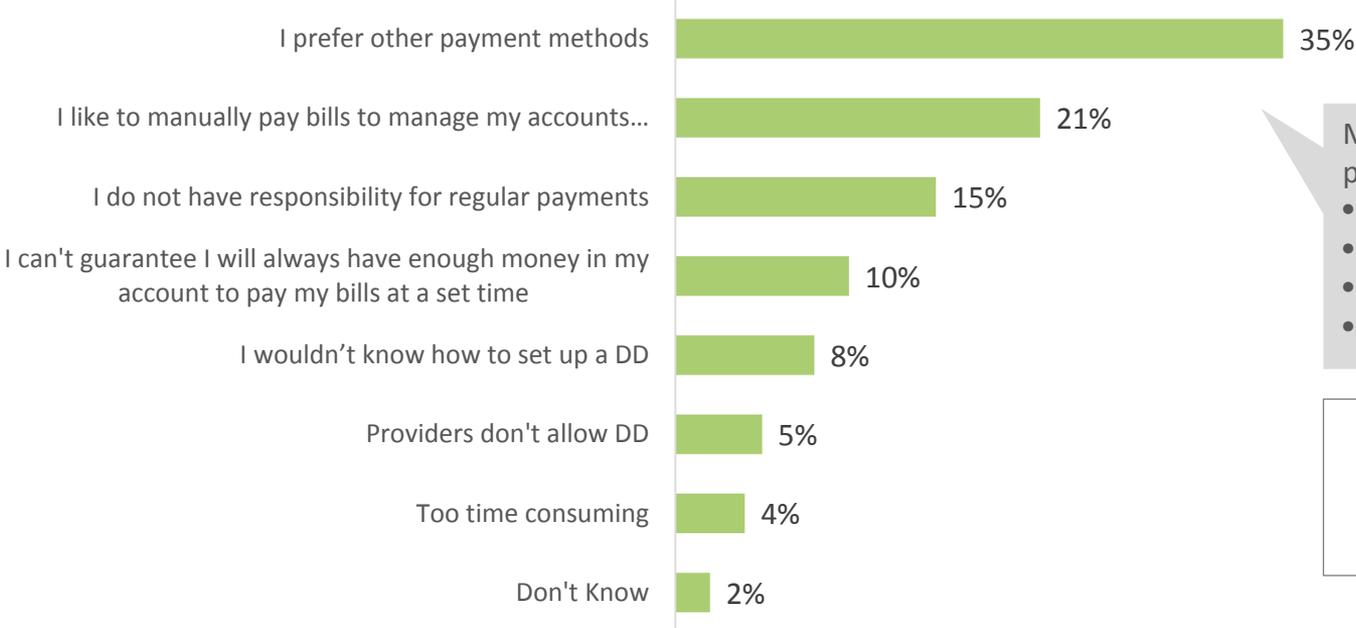
THE CONVENIENCE AND SECURITY COULD HELP ENCOURAGE SOME NON-USERS BUT THE NEED TO CONTROL PAYMENTS DUE TO AFFORDABILITY IS A BARRIER



15. To what extent you agree or disagree with each of the following statements. Base: All consumers (2037). Heavy users 6+ DD (762), Medium user 3-5 DD (546), Low users 1-2DD (376), Non-users (344)

# PREFERENCE FOR OTHER PAYMENT METHODS IS THE TOP REASON FOR NOT USING DDS, FOLLOWED BY THE NEED TO MANUALLY MANAGE PAYMENTS

## Reasons for not using Direct Debits (non-users)



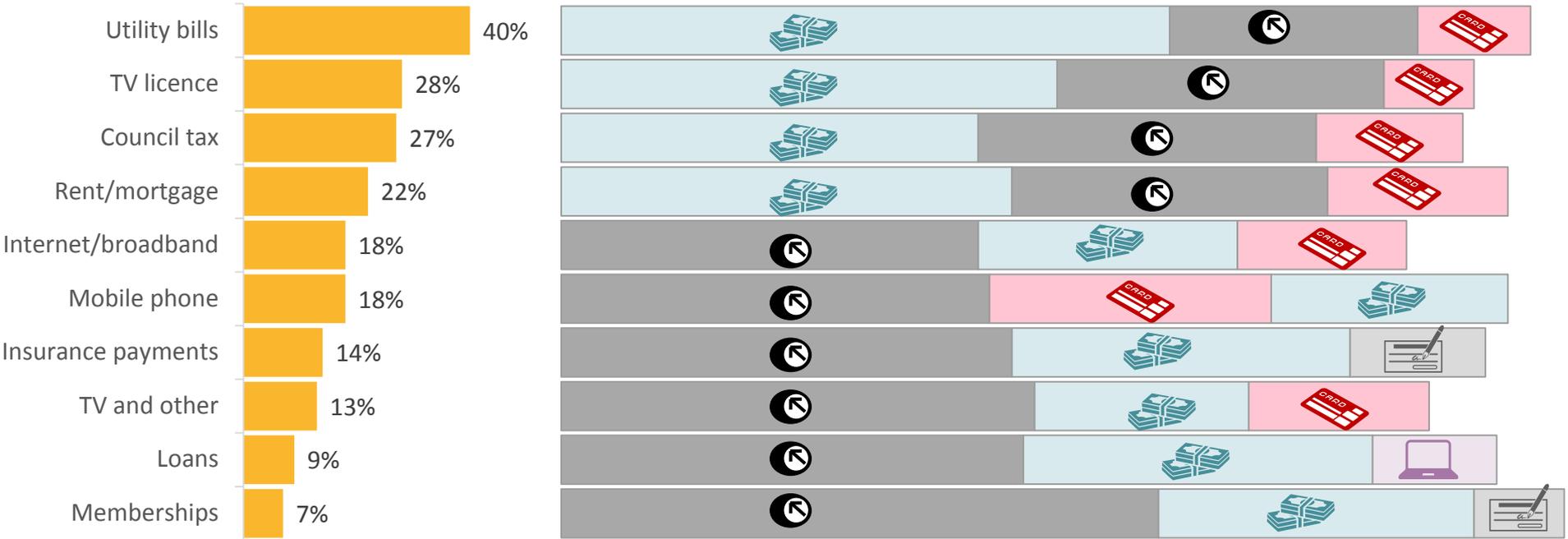
Most common form of payment method:

- Cash 32%
- Standing Order 25%
- Debit Card 7%
- Credit Card 6%

54% of non-users aged 45-54 prefer other methods (significantly higher vs. other ages)

NON DD USERS CLAIM HIGH USAGE OF STANDING ORDERS ALTHOUGH SIGNS OF MISUNDERSTANDING APPARENT AS MANY BILLS CANNOT BE PAID DIRECTLY THIS WAY

Financial commitments among non DD users



Q2: Which of the following regular financial commitments do you personally have responsibility for, either on your own or jointly with someone else?

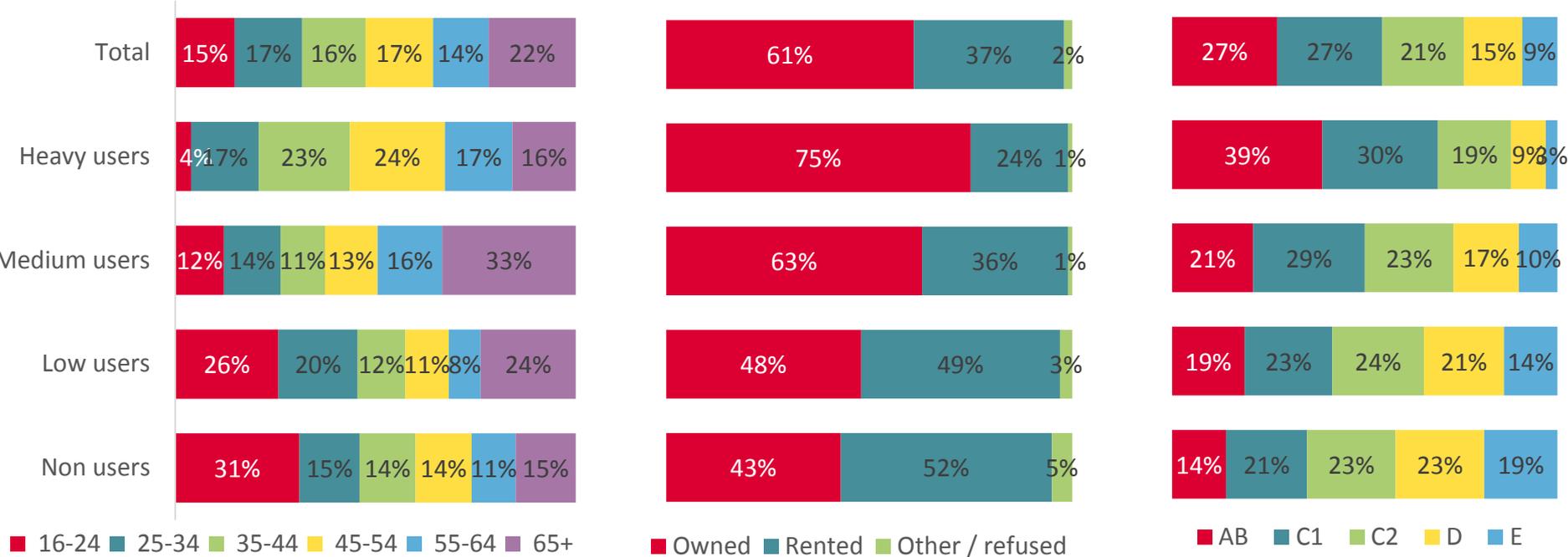
Q3: How do you typically pay your [bills]? Base: All non DD users (344)

A POTENTIAL BARRIER TO INCREASING DD USAGE IS THAT LOW / NON-USERS ARE YOUNGER AND LESS AFFLUENT SO HAVE LESS NEED...

Age

Housing tenure

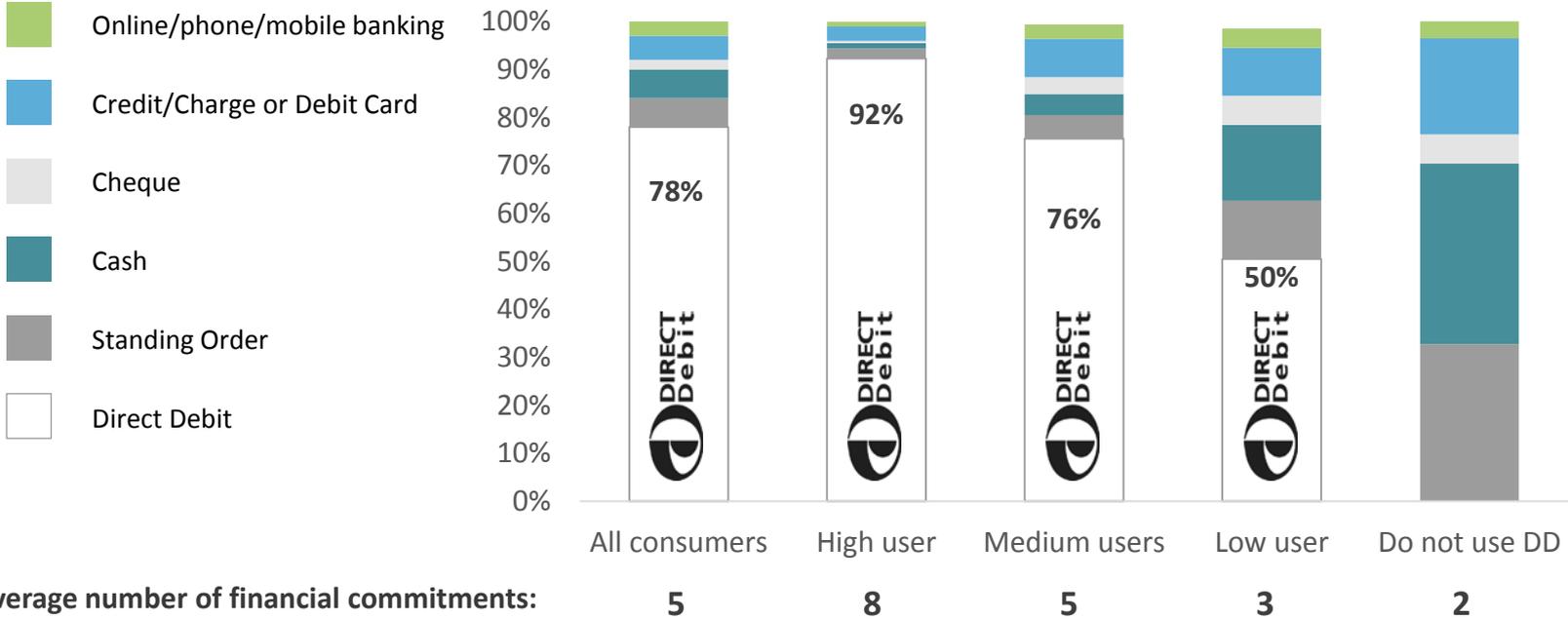
Social grade



Q3, How do you typically pay for your bills? Base: All consumers (2037). Heavy users (762), Medium users (546), Low users (376), Non-users (344)

...AND ALSO HAVE LESS FINANCIAL COMMITMENTS

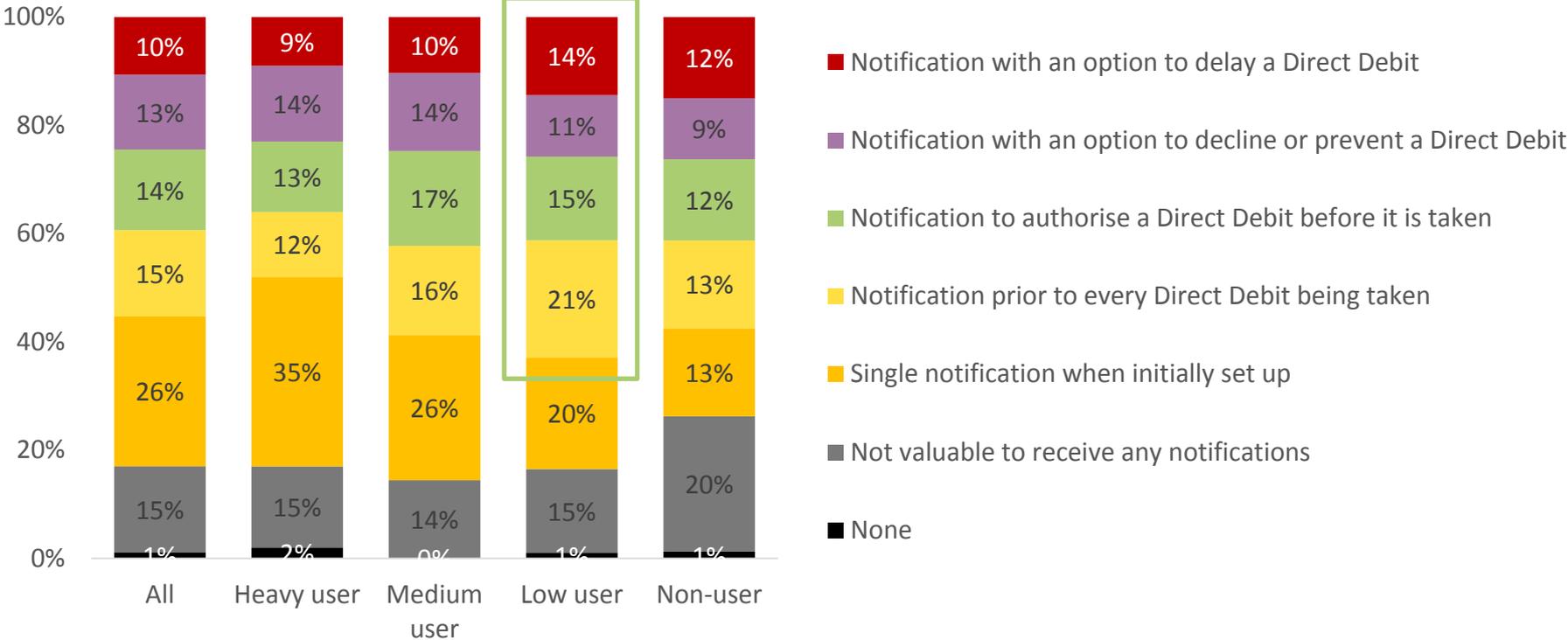
Proportion of all types of financial commitments paid by each method



Q3, How do you typically pay for your bills? Base: All consumers (2037). Heavy users (762), Medium users (546), Low users (376), Non-users (344)

NOTIFICATIONS FOR EACH DIRECT DEBIT WOULD BE VALUABLE FOR LOW USERS; LESS VALUABLE TO NON-USERS AS THEY DON'T CURRENTLY HAVE DDS BUT COULD HELP ALLEVIATE ISSUES AROUND CONTROL

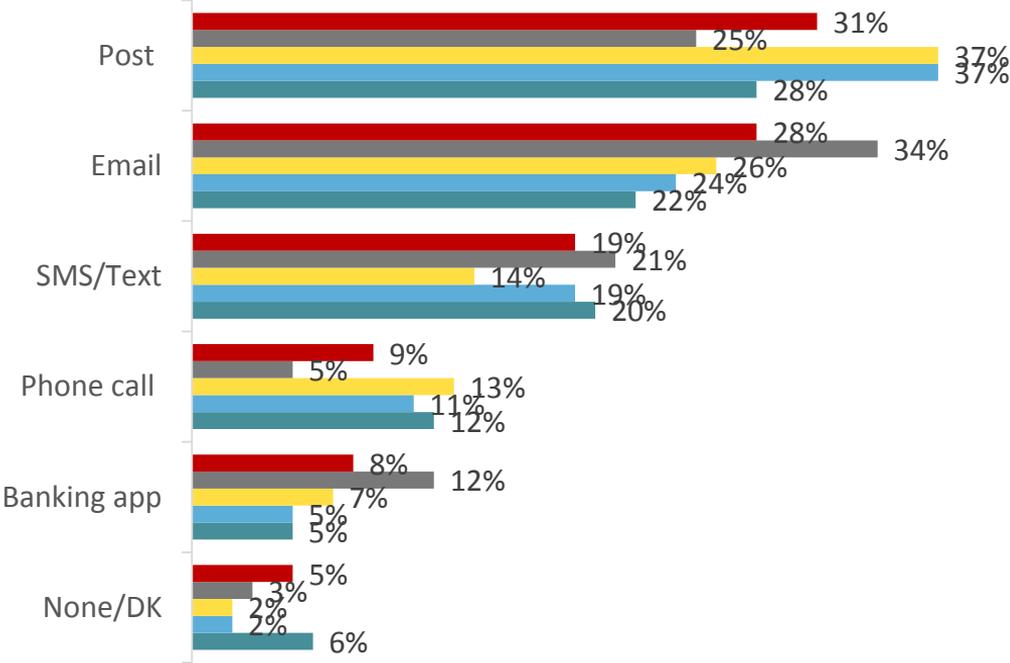
Most valuable when paying by DD



Q13: Which, if any, of these would be most valuable to you when making a Direct Debit (DD) payment?.  
Base: All respondents. Heavy users 6+ DD (762), Medium user 3-5 DD (546), Low users 1-2DD (376), Non-users (344)

POST FOLLOWED BY EMAIL ARE THE PREFERENCE FOR ANY DIRECT DEBIT NOTIFICATIONS – BUT LIKELY THIS IS ASSOCIATED WITH HOW BILLS ARE ALREADY RECEIVED

Preference for notifications



Those age 65+ are much more likely to prefer post (58%)

- Total
- Heavy users
- Medium users
- Low users
- Non users

Q14 - How would you prefer to receive this notification from the bank, building society or company you are paying? Base: All respondents (2037). 16-24 (264), 25-34 (299), 35-44 (289), 45-54 (315), 55-64 (320), 65+ (550)

# CONSUMER FINDINGS

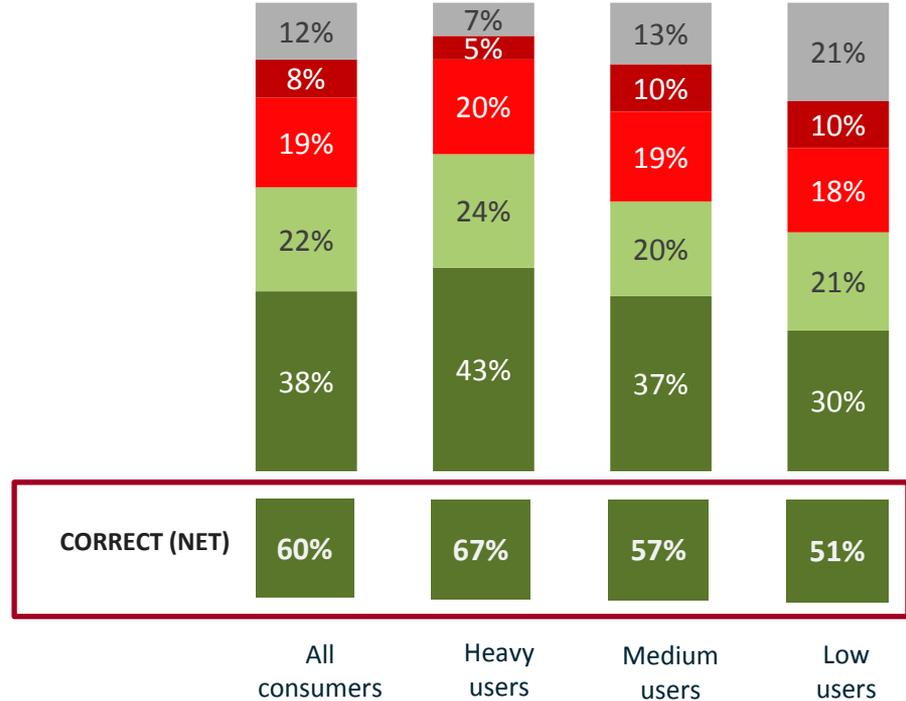
## - UNDERSTANDING



ONLY SIX IN TEN WHO USE DDS CORRECTLY STATE WHAT HAS TO BE DONE TO SET ONE UP; EVEN AMONG HEAVY USERS THERE IS APPARENT CONFUSION

Understanding of how Direct Debits are set up

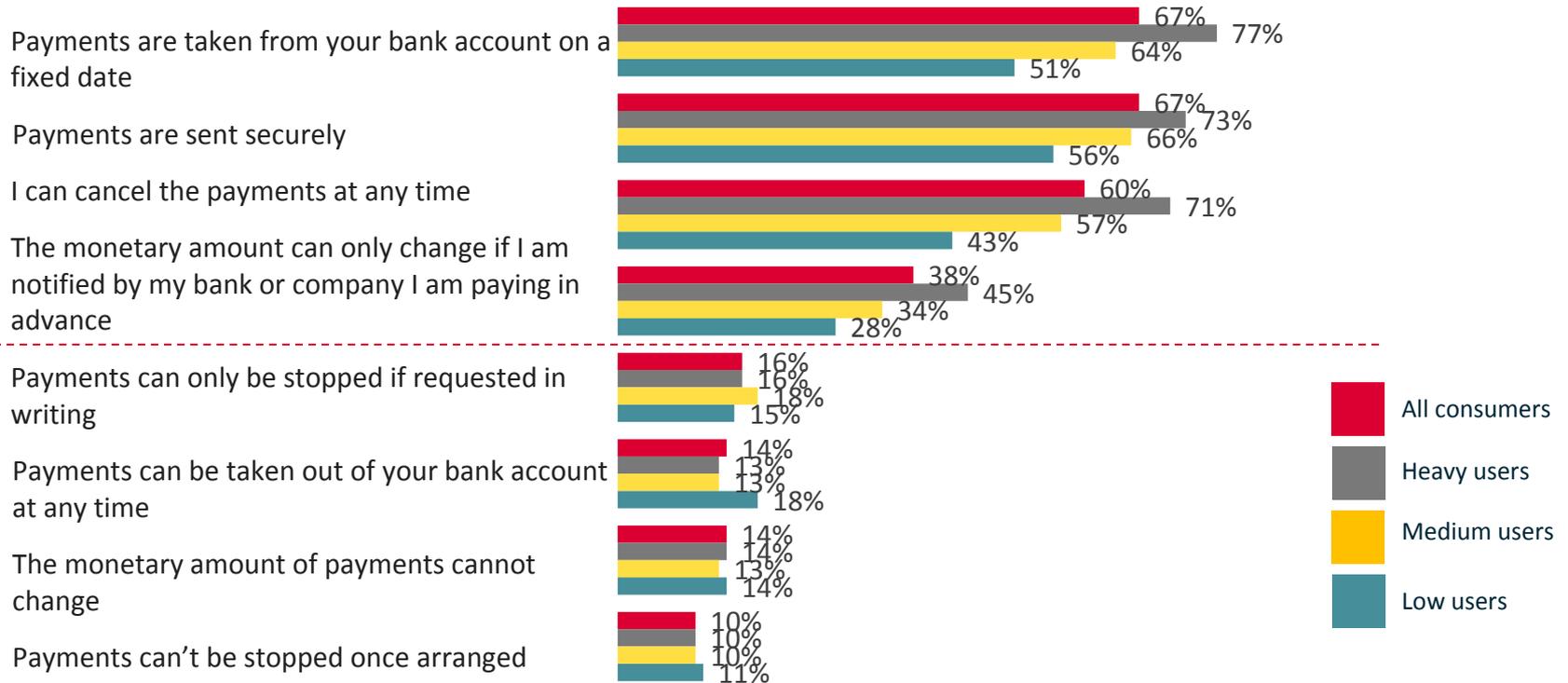
- Can't recall
- Provide the long number on the debit/credit card and CVC code to the company being paid
- Provide sort-code and account number of the company being paid to the bank
- Provide sort-code and account no. to the company being paid
- Provide sort-code and account no. to the company being paid and authorise the DD



Q4 Thinking specifically about the Direct Debits that you have already, which one of the following best describes what you must do to set up a Direct Debit?  
 Base: All consumers paying at least one bill by Direct Debit (1686), Heavy users (762), Medium users (546), Low users (376)

HEAVY USERS HAVE A BETTER UNDERSTANDING OF DD FEATURES

Understanding of Direct Debit features



Q5 Which, if any, of the following do you think describe the features of a Direct Debit? BASE SIZE: All consumers paying at least one bill by Direct Debit (1684), Heavy users (762), Medium users (546), Low users (376)

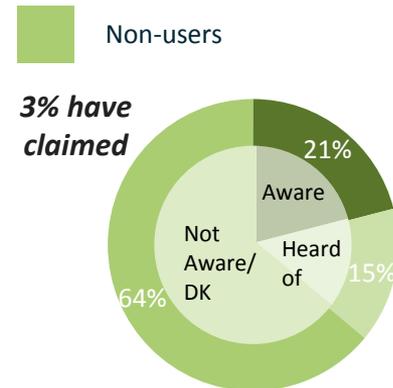
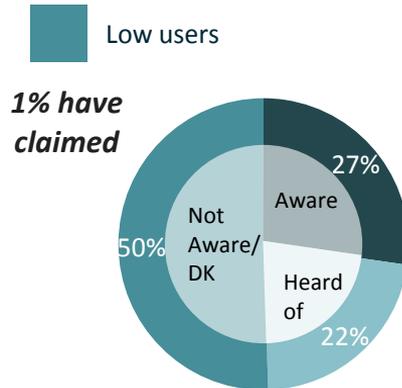
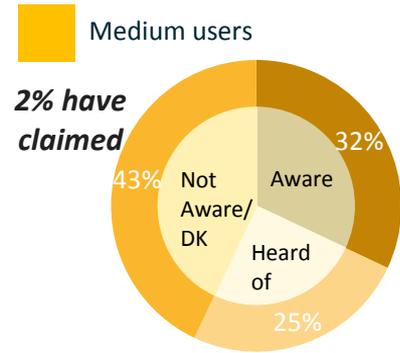
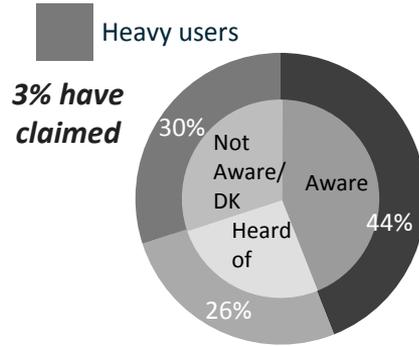
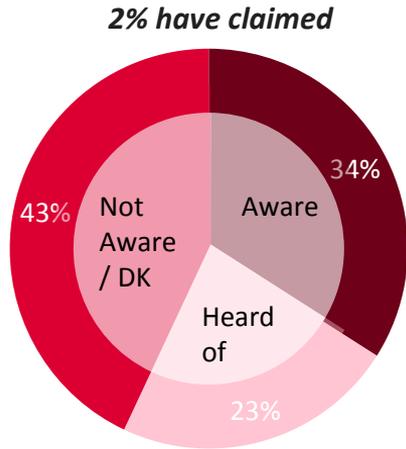
# CONSUMER FINDINGS

## - THE DIRECT DEBIT GUARANTEE



34% OF CONSUMERS ARE AWARE OF THE GUARANTEE, AND 2% REPORT HAVING EVER CLAIMED

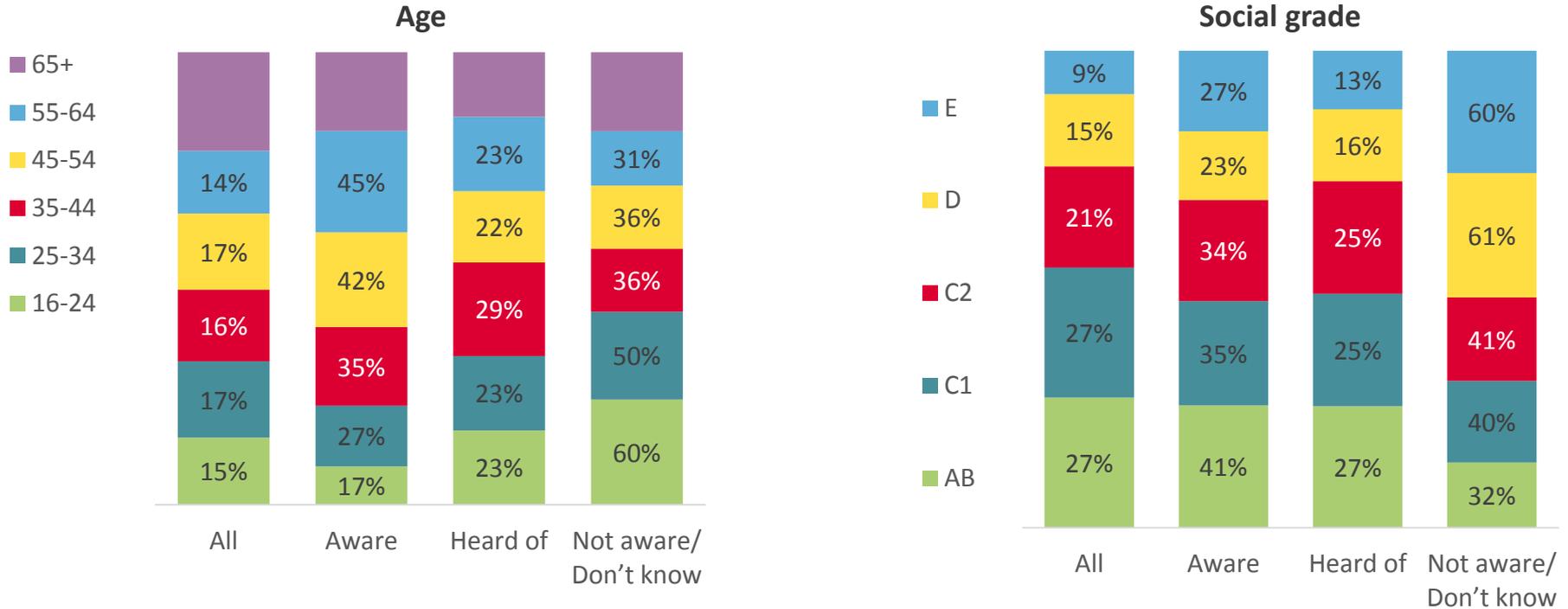
**Awareness of Direct Debit Guarantee**



**Aware** = I am aware of it and know what it is  
**Heard of** = I have heard of it but don't know what it is  
**Not aware** = I am not aware of it

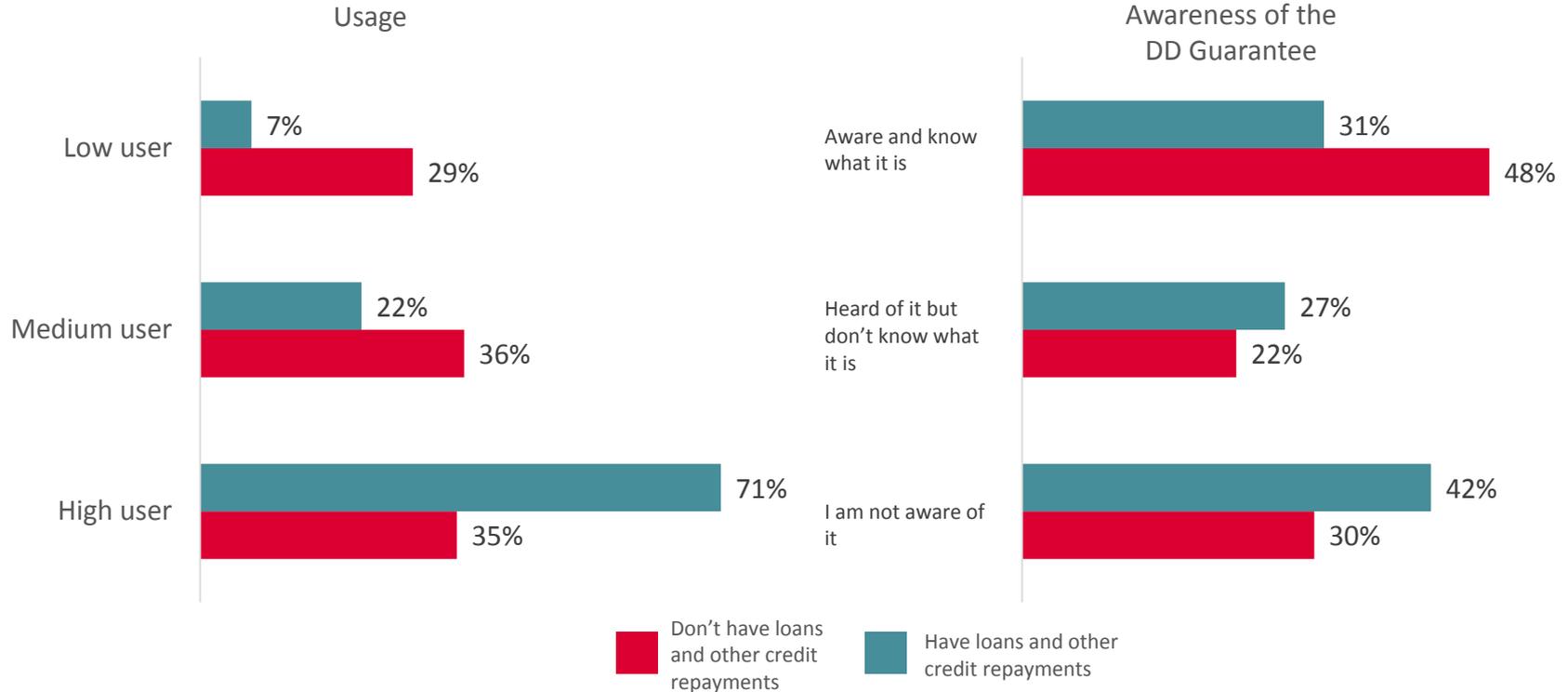
Q7 - Which of the following best describes your awareness of the Direct Debit Guarantee? (2037), QP08A - Have you ever claimed on the Direct Debit Guarantee? Base: All who are aware of the Direct Debit Guarantee (700). Q8A - Have you ever claimed on the Direct Debit Guarantee? Base: All who are aware/heard of the guarantee (700). Non users (74), Heavy users (343), Medium users (175), Low users (107) rebased to all users (2037), Heavy users (762), Medium (546), Low users (376), Non users (344)

THOSE WHO ARE FAMILIAR WITH THE DIRECT DEBIT GUARANTEE ARE MORE LIKELY TO BE OLDER AND OF A HIGHER SOCIAL GRADE – WILL LINK TO THEIR HIGH PROPENSITY TO USE DIRECT DEBITS



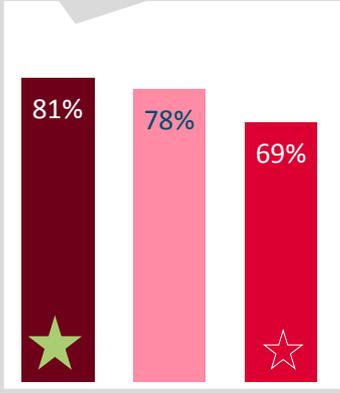
Q7 - Which of the following best describes your awareness of the Direct Debit Guarantee? Base: All respondents (2037). 16-24 (264), 25-34 (299), 35-44 ((289), 45-54 (315), 55-64 (320), 65+ (550). AB (520), C1 (645), C2 (381), D (258), E (233).

# CONSUMERS WITH LOAN OR OTHER CREDIT REPAYMENTS ARE LIKELY TO BE HIGHER USERS OF DD WHICH IN TURN RESULTS IN HIGHER AWARENESS OF THE GUARANTEE

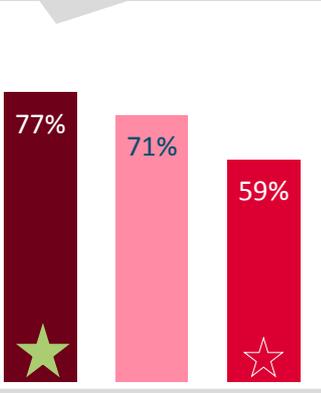


CONFIDENCE THAT MONEY WILL BE RETURNED IF ERRORS ARE MADE IS IMPORTANT, EVEN AMONG THOSE WHO ARE NOT AWARE OF THE GUARANTEE

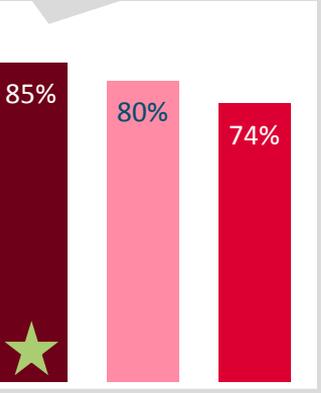
“The most important thing when selecting a payment method is that once the payment is set up, I don't need to think about it again”



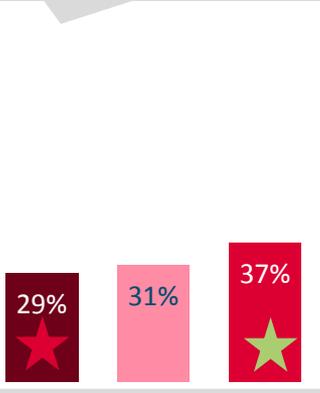
“Wherever it is available I will always opt to make regular payments by Direct Debit”



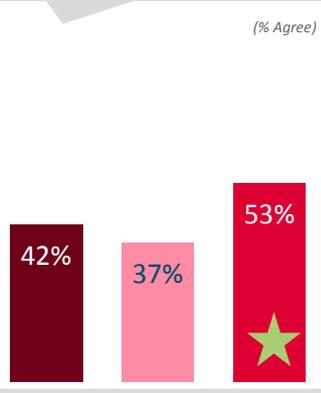
“The most important thing when selecting a payment method is to be confident I will get my money back if there is an error caused by the bank or co. I am paying”



“I like to manually pay bills so that I can manage how much money I have in my account”



“I can't guarantee I will always have money to pay my bills at a set time”



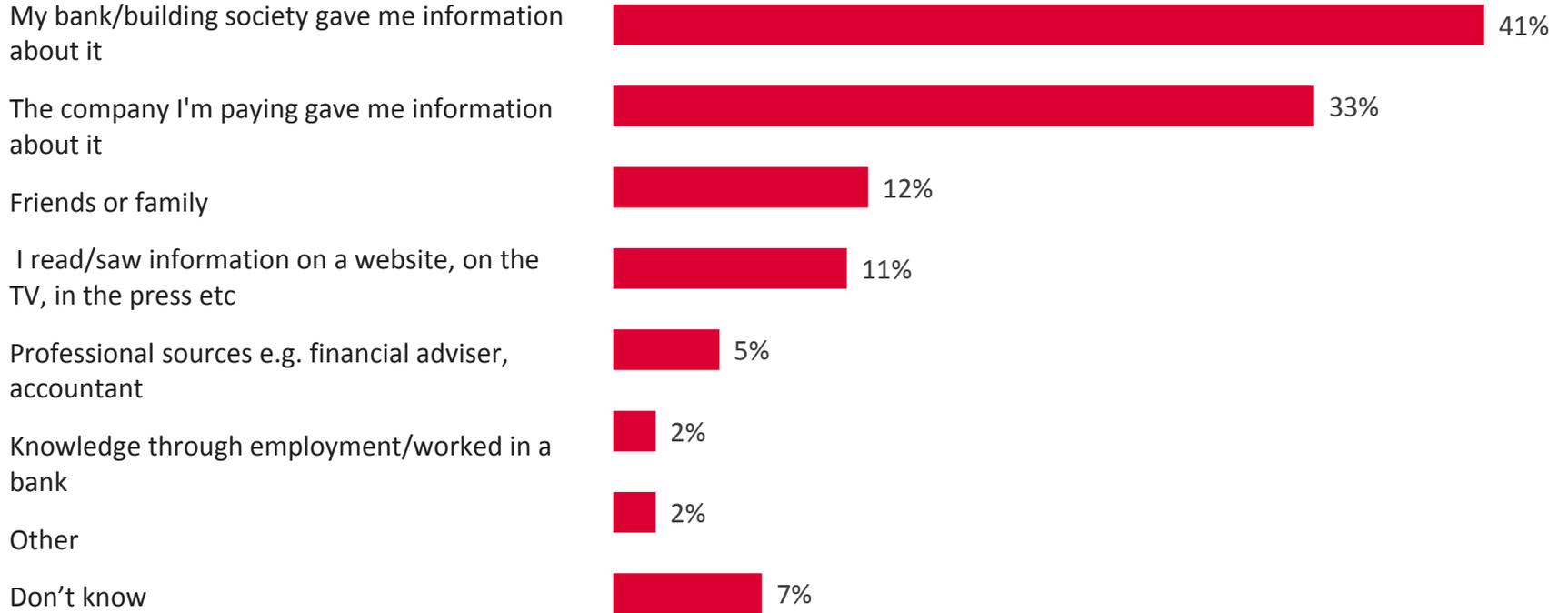
Awareness of DD guarantee



Q15 To what extent do you agree, or disagree, that... Base: All respondents (2037), Aware (700), Heard of (455), Not aware/ Don't know (882)

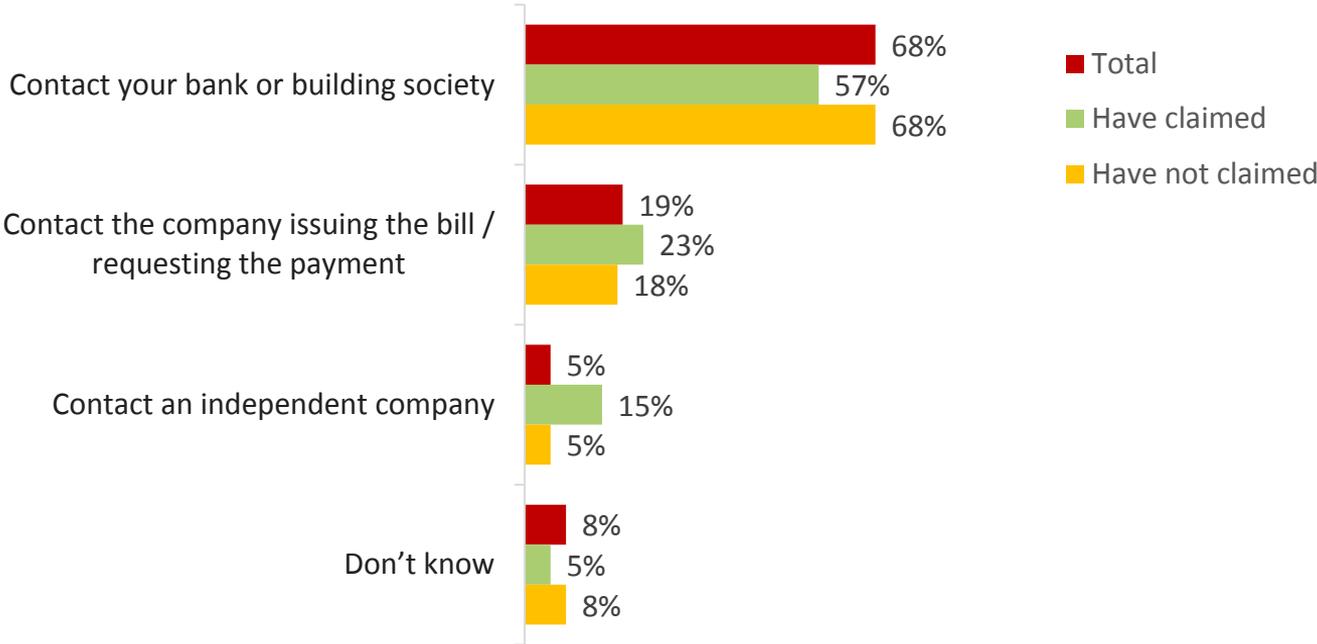
THE BANK IS THE MOST COMMON PLACE FOR FINDING OUT ABOUT THE DD GUARANTEE ALTHOUGH 1 IN 4 CAN'T RECALL

How became aware of Direct Debit Guarantee



MOST ARE AWARE THAT YOU WOULD CONTACT YOUR BANK OR BUILDING SOCIETY TO MAKE A CLAIM – ALTHOUGH SOME MISUNDERSTANDING AMONG CLAIMANTS

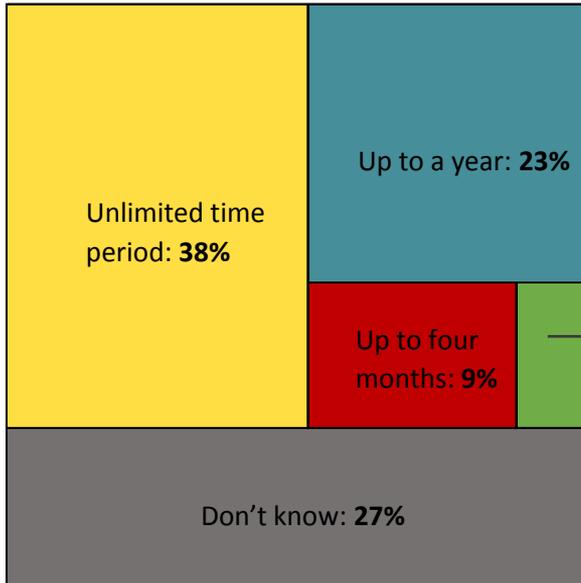
How claimed / would claim on Direct Debit Guarantee



Q10 - How did you/would you make a claim using the Direct Debit Guarantee? Base: All respondents (2037), All made a claim (52), All not made claim (1985)

THERE ARE NOTABLE DIFFERENCES BETWEEN THE EXPECTED GUARANTEE LENGTH AND THE IDEAL LENGTH

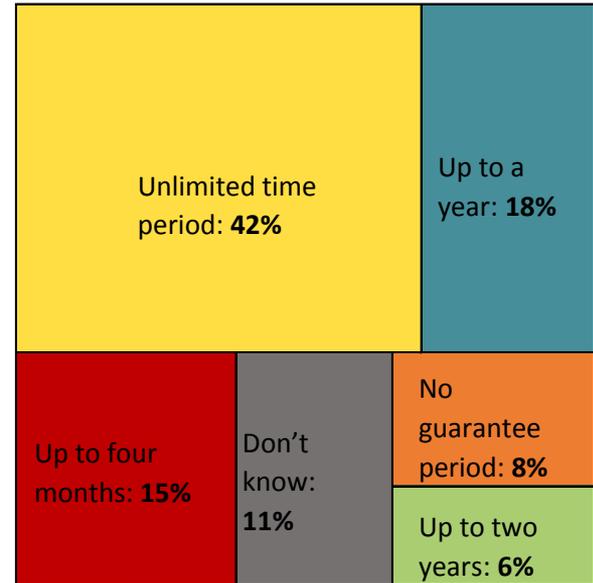
Expectations of current guarantee period



68% of those who expected an unlimited guarantee also said this would be the ideal

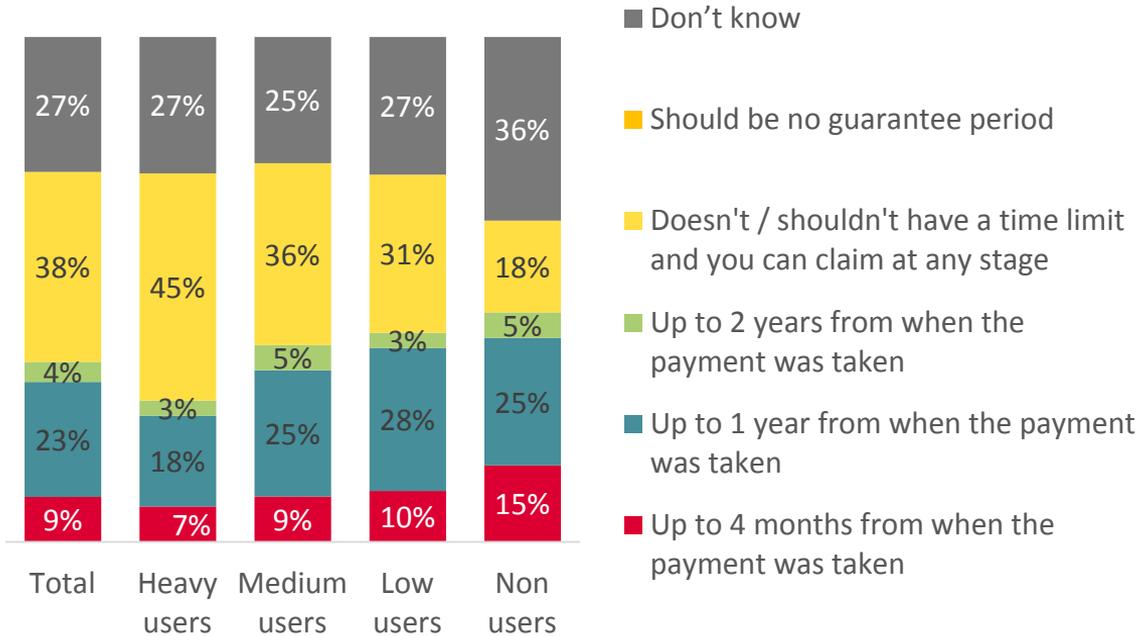
Up to two years: 4%

Expectations of ideal guarantee period

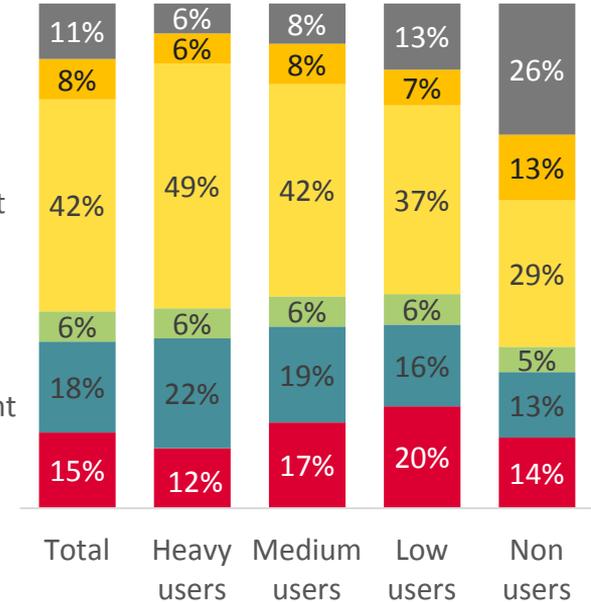


# HEAVY USERS ARE MORE LIKELY TO BE AWARE THAT THE CURRENT GUARANTEE PERIOD IS UNLIMITED AND THEREFORE BELIEVE THIS IS THE IDEAL

## Expectations of current guarantee period



## Expectations of ideal guarantee period



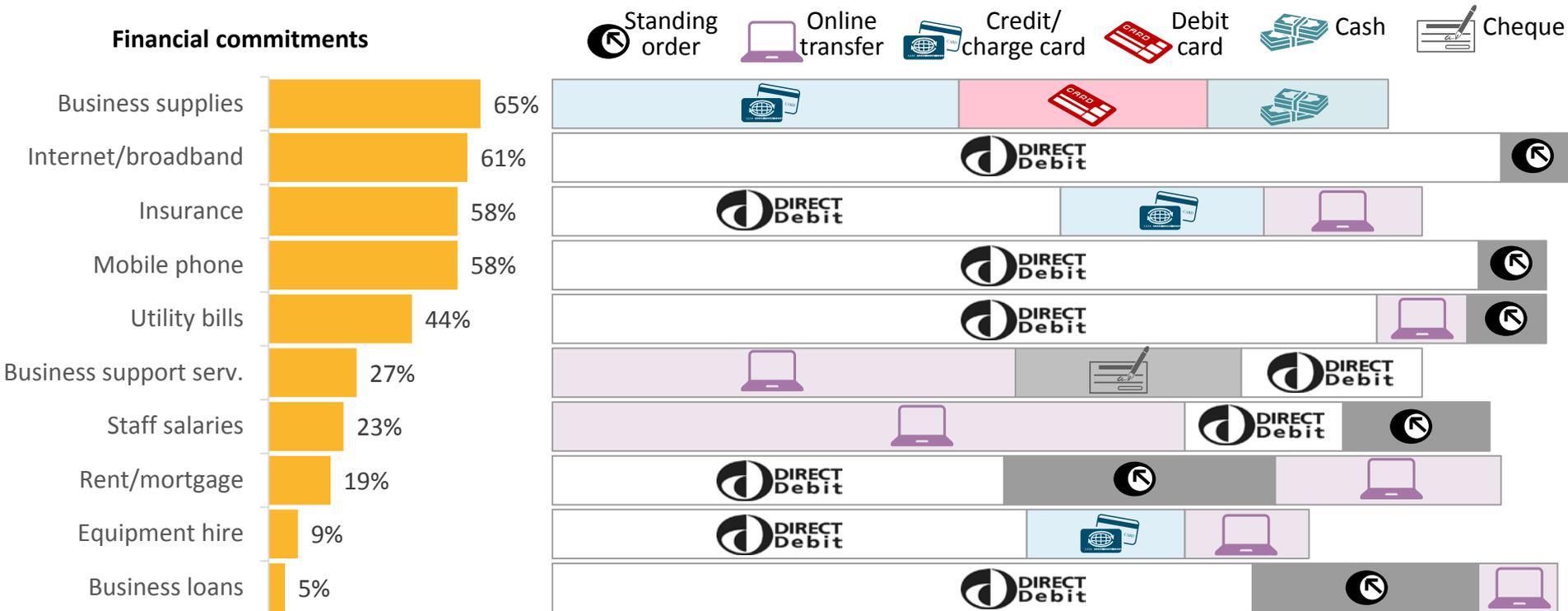
Q8B - Which of the following best describes how long the Direct Debit Guarantee is valid for? Base: All aware of the Direct Debit Guarantee (1155), Heavy users (536), Medium users (310), Low users (184), Non-users (124). Q9 - How long after the payment do you think you should be able to claim for a refund if an unauthorised or incorrect payment has been taken? Base: All respondents (2037), Heavy users (762), Medium users (546), Low users (376), Non-users (344) \* Time is from when the payment was made

# SME FINDINGS

## - OVERALL USAGE



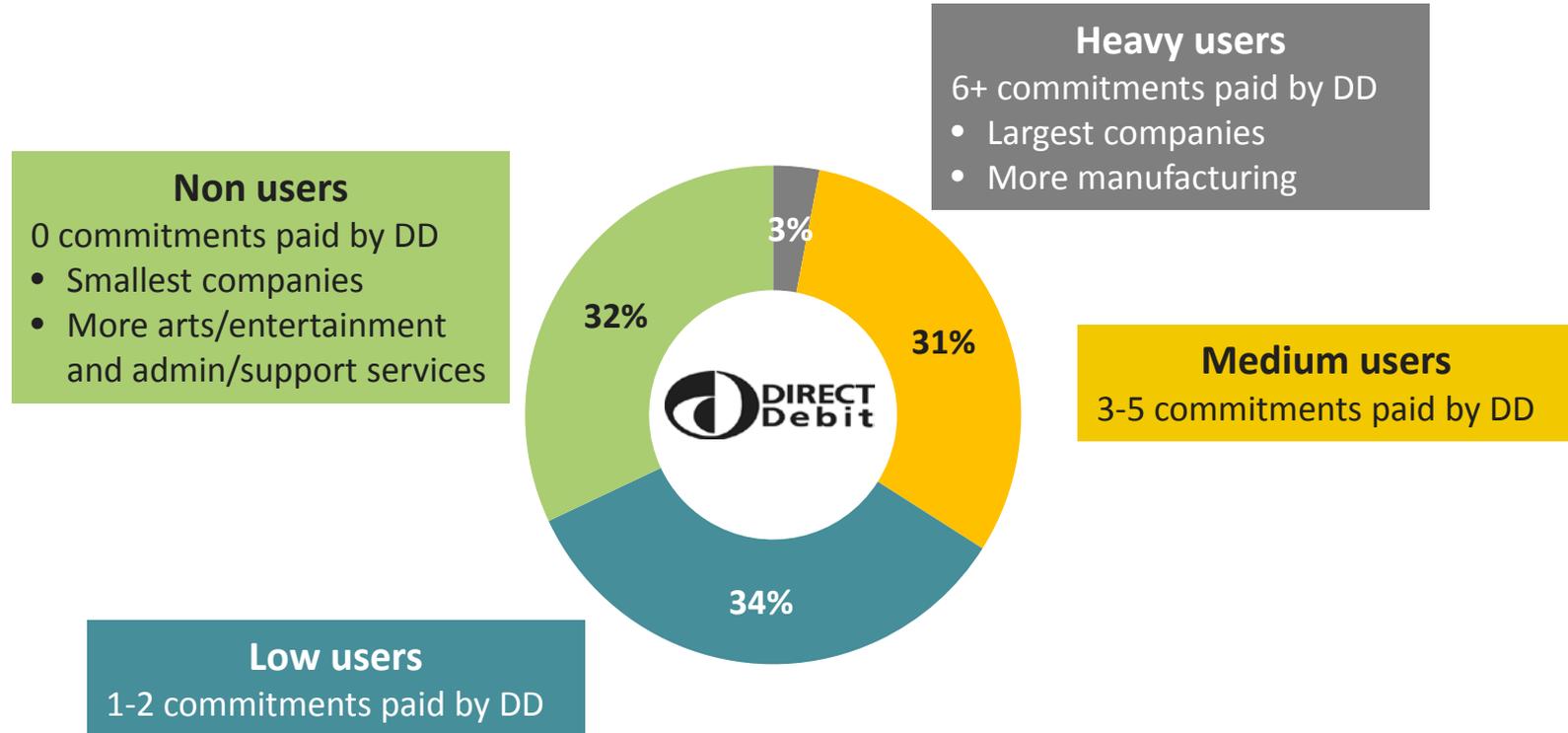
# DIRECT DEBIT IS A COMMON PAYMENT METHOD AMONG SMES BUT ONLINE AND CARDS ARE THE MAIN METHODS FOR SOME FINANCIAL COMMITMENTS



Q2: Which of the following regular financial commitment does your business have?

Q3: How do you typically pay your [bills]? Base: All respondents (1000)

## HEAVY DIRECT DEBIT USERS ONLY MAKE UP A SMALL PROPORTION OF SMES

**Non users**

0 commitments paid by DD

- Smallest companies
- More arts/entertainment and admin/support services

**Low users**

1-2 commitments paid by DD

**Heavy users**

6+ commitments paid by DD

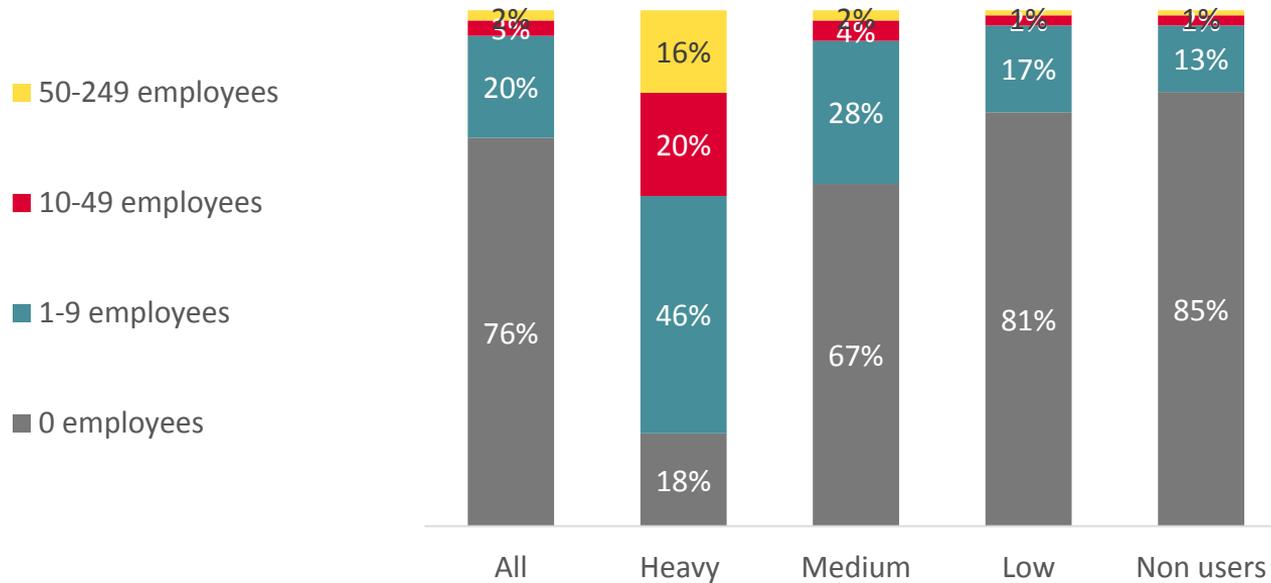
- Largest companies
- More manufacturing

**Medium users**

3-5 commitments paid by DD

THERE IS A CLEAR LINK BETWEEN DIRECT DEBIT USE AND SIZE OF BUSINESS – HEAVY USERS ARE MORE LIKELY TO BE LARGER SMES...

Use of Direct Debit by number of employees

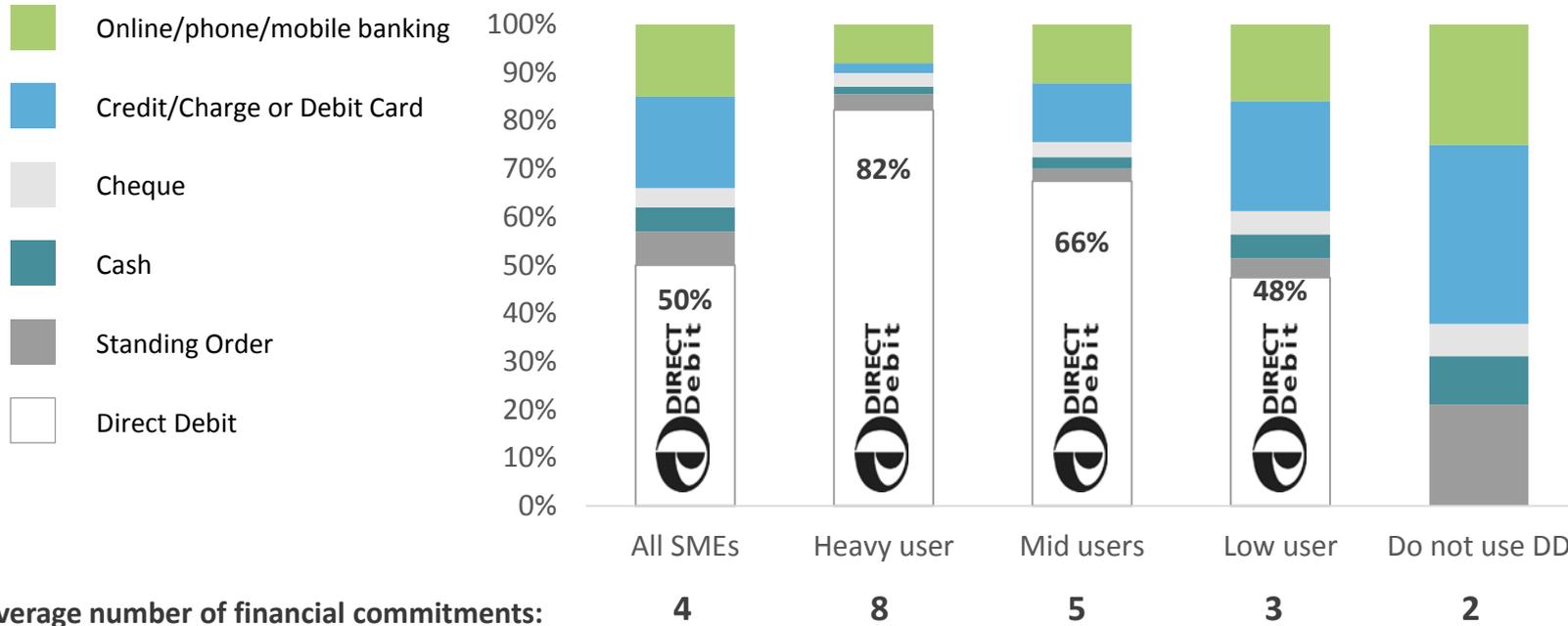


Q4: Thinking specifically about the Direct Debits that you have already, which one of the following best describes what you must do to set up a Direct Debit (DD) for your business?

Base: All DD users (719) Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (331), Non users (281)

...AND UNSURPRISINGLY THESE HEAVY USERS HAVE MORE FINANCIAL COMMITMENTS

Proportion of all types of financial commitments paid by each method



Average number of financial commitments:

THESE HEAVY DD USERS ARE MORE LIKELY TO BE STRONGER FINANCIALLY, WHILE THE WEAKER POSITION OF NON USERS PROBABLY IMPACTS LIKELY DD USAGE



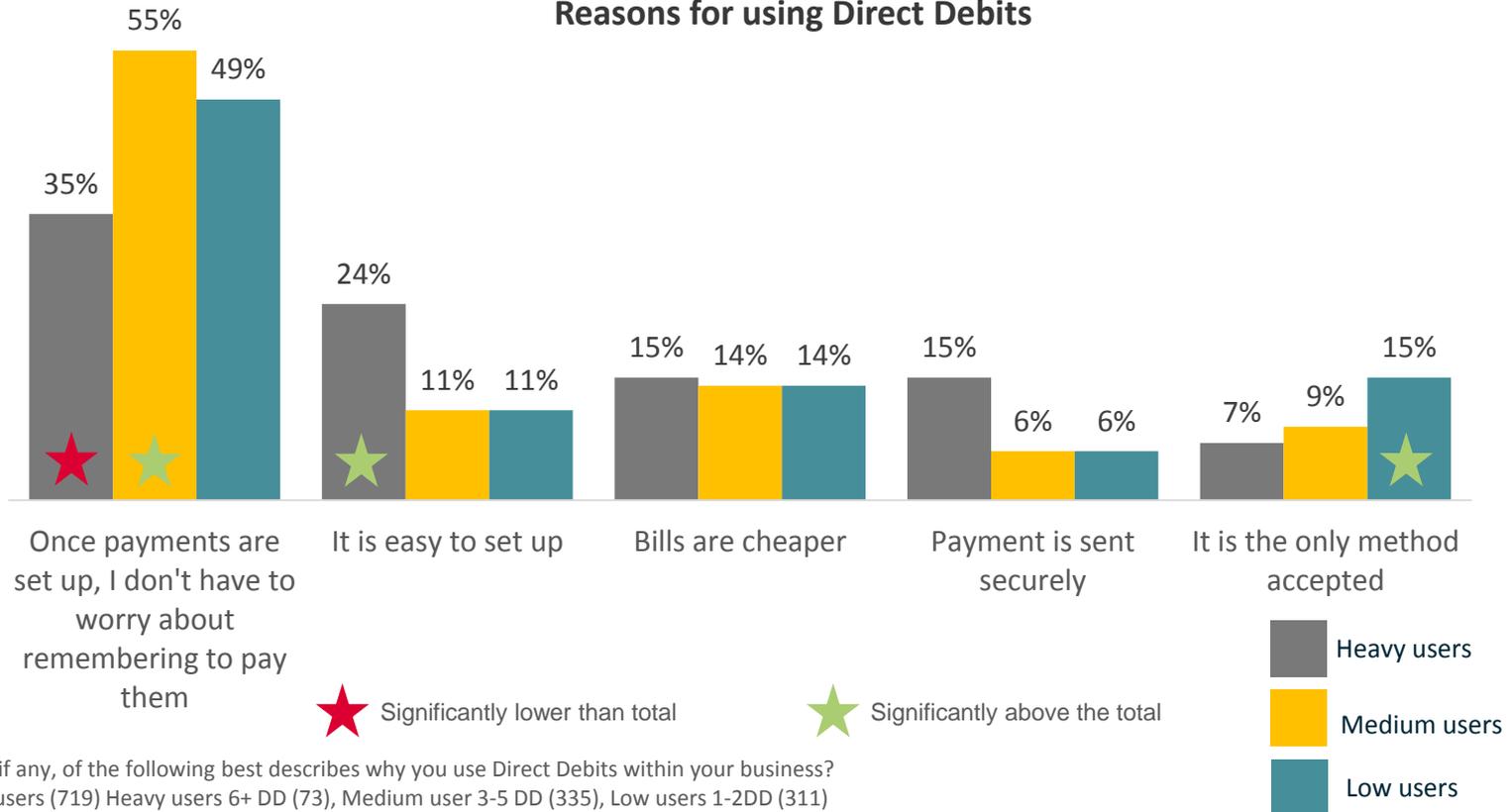
★ Net agreement (strongly/slightly agree) significantly lower than the total

★ Net agreement (strongly/slightly agree) significantly above the total

Q1: To what extent do you agree or disagree with each of the following statements.  
 Base: Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311), Non users (281)

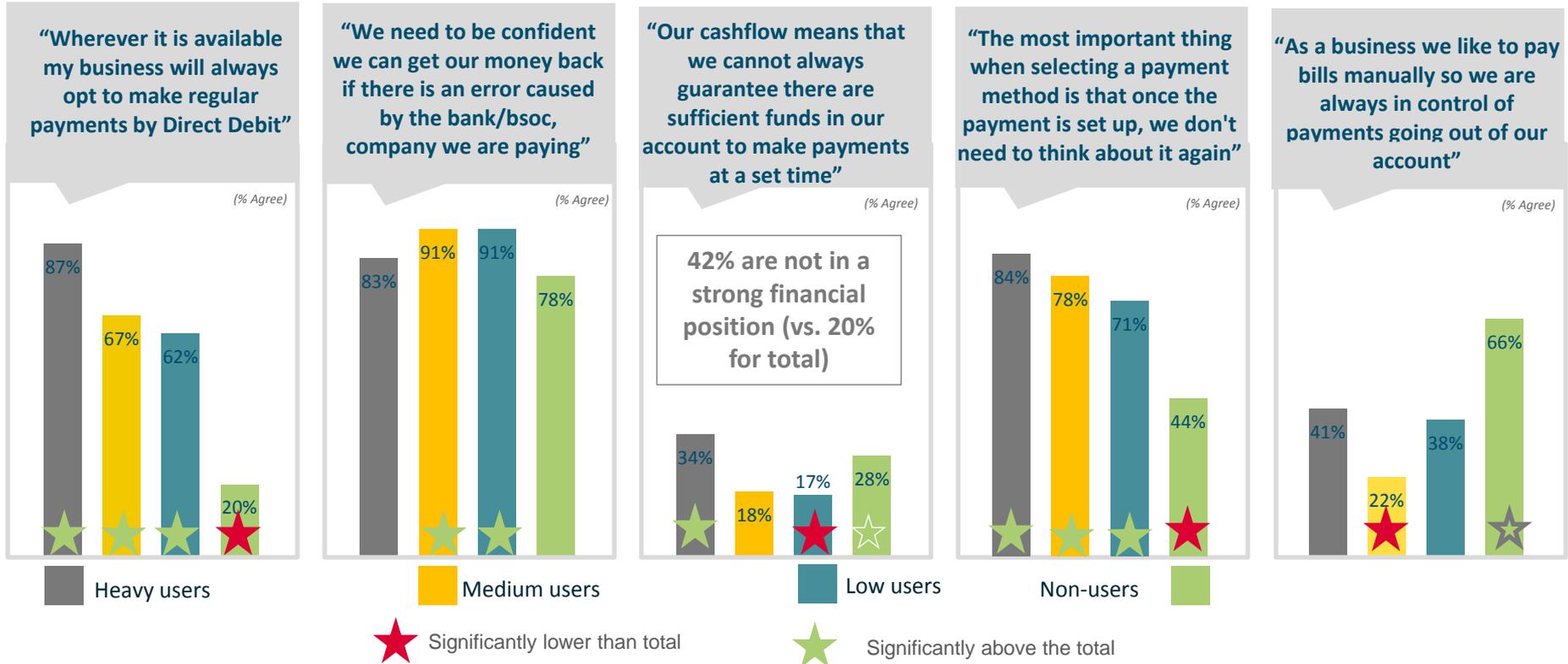
## AMONG DD USERS, NOT HAVING TO REMEMBER PAYMENTS IS KEY, BUT EASE OF SET UP IS ALSO A REASON AMONG HEAVY USERS

### Reasons for using Direct Debits



Q6A: Which, if any, of the following best describes why you use Direct Debits within your business?  
 Base: All DD users (719) Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311)

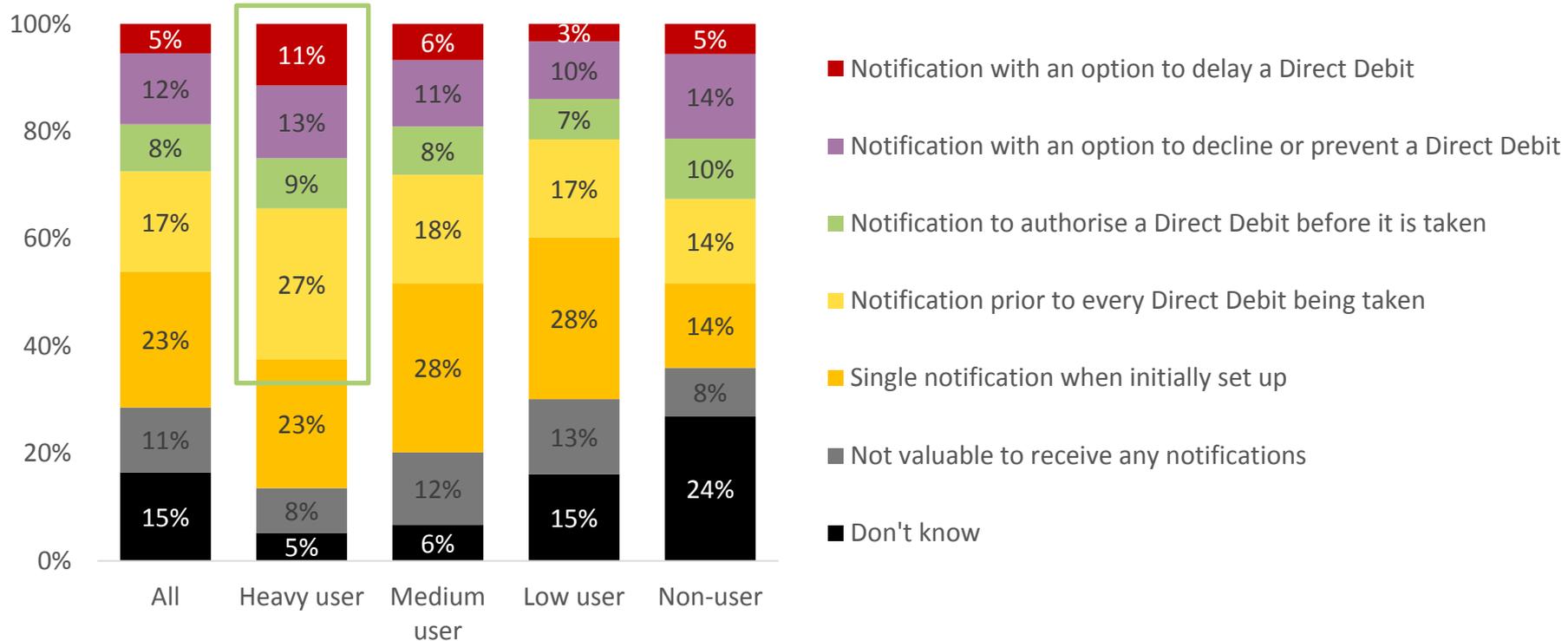
FOR HEAVY USERS DIRECT DEBIT IS THE PREFERENCE BUT SOME SHARE THE SAME CASHFLOW CONCERNS AS NON USERS BUT LIKELY TO BE DRIVEN BY SIZE RATHER THAN FINANCIAL SITUATION



Q15: To what extent do you agree or disagree with each of the following statements.  
 Base: Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311), Non users (281)

## HEAVY USERS ARE MORE LIKELY TO VALUE PRIOR NOTIFICATION BEFORE EACH DD, LIKELY TO BE DUE TO HAVING DEDICATED FINANCE TEAMS TO MANAGE PAYMENTS

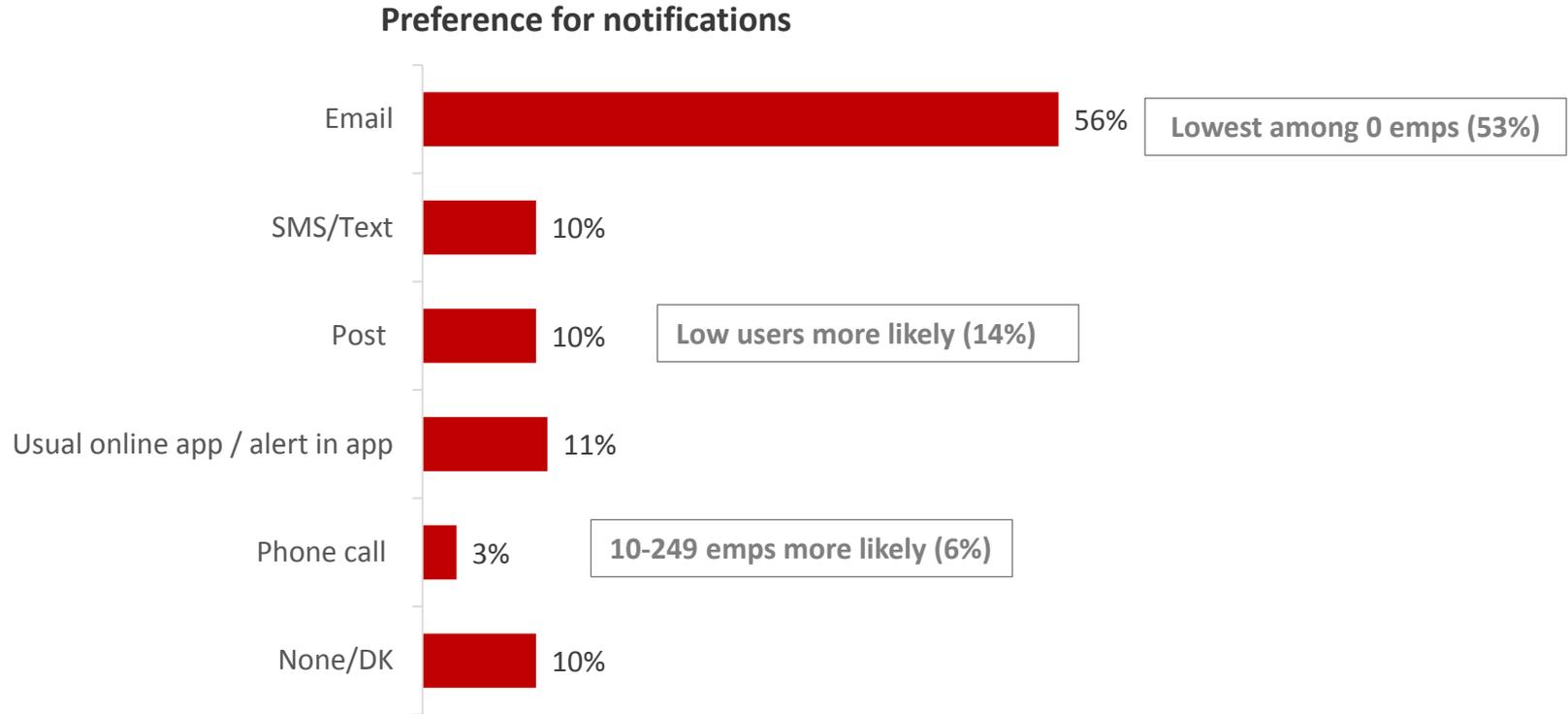
### Most valuable when paying by DD



Q13: Which, if any, of these would be most valuable to your business when making a Direct Debit (DD) payment?.

Base: Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311), Non users (281)

## EMAIL IS THE CLEAR PREFERENCE FOR ANY DD NOTIFICATIONS

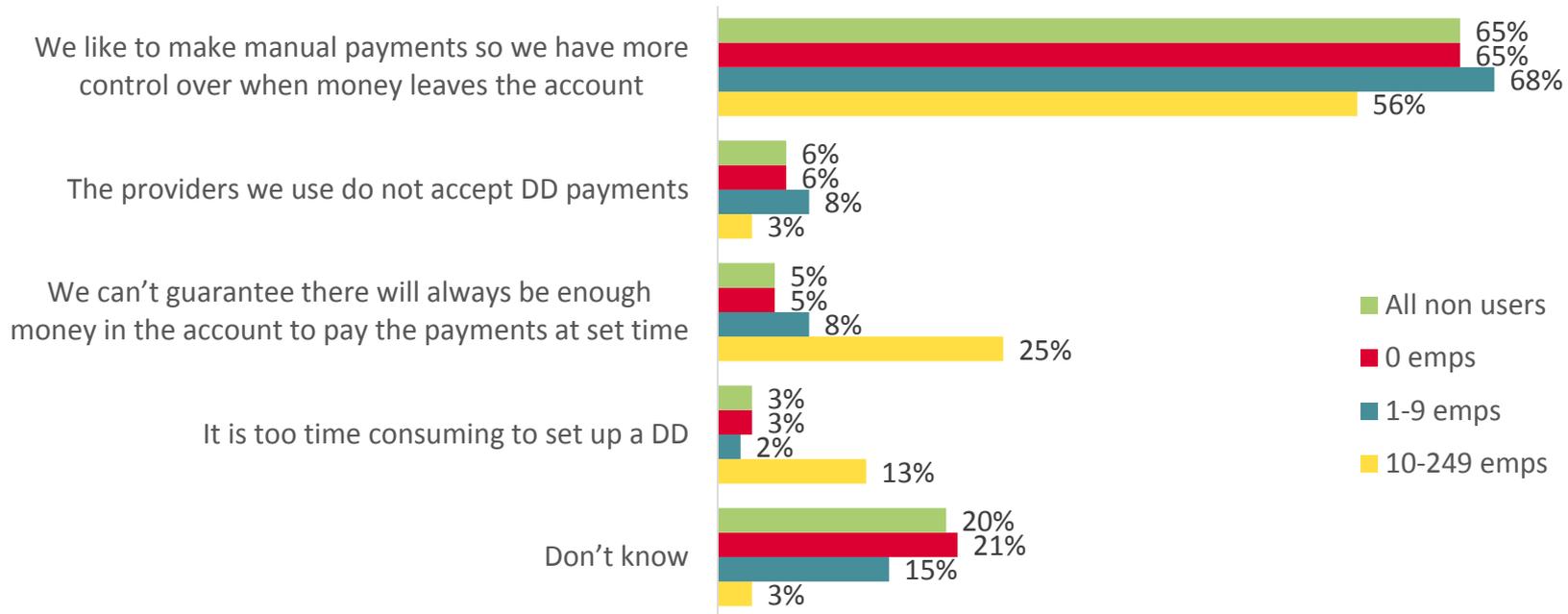


Q8d: How would your business prefer to receive this notification from the bank or company being paid?

Base: All SMEs (1,000)

## AMONG NON USERS, THE MAIN REASON IS LACK OF CONTROL ALTHOUGH FOR LARGER SMES NOT BEING ABLE TO GUARANTEE FUNDS IS ALSO AN ISSUE

### Reasons for not using Direct Debits (non users)

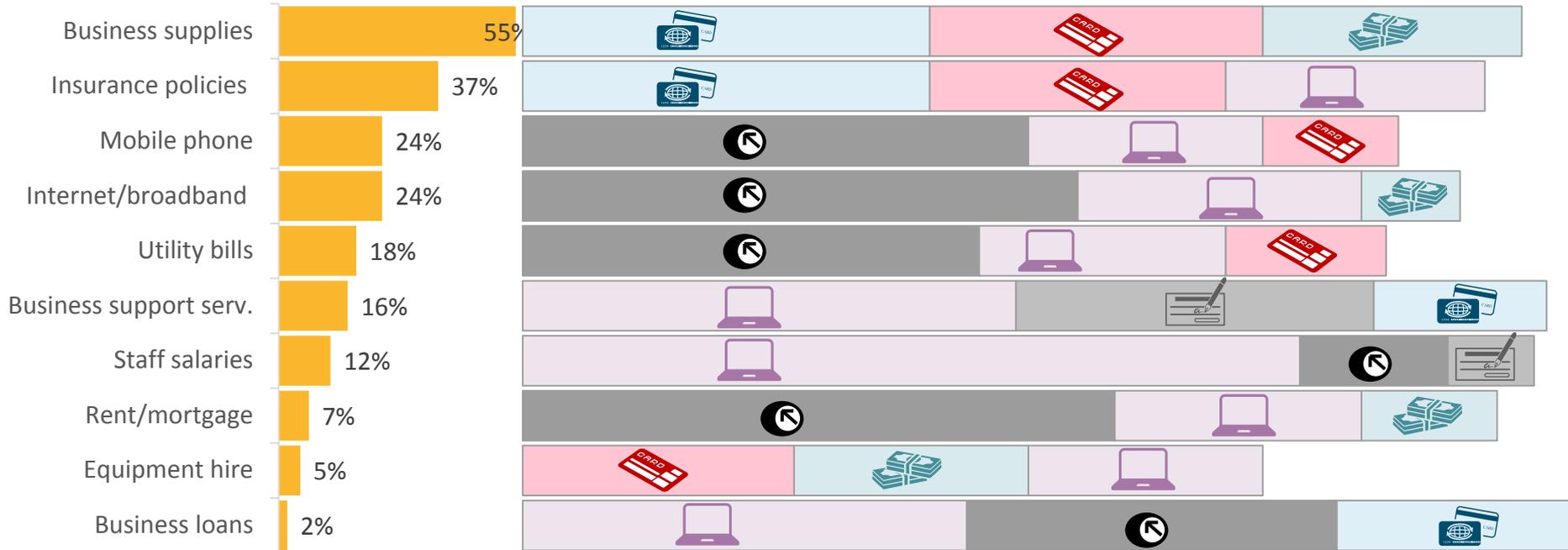


Q6B: Which, if any, of the following best describes why you do not use Direct Debits within your business?

Base: All DD non users (281) 0 emps (196), 1-9 emps (53)\*, 10-249 (32)\* **\*CAUTION: SMALL BASE**

# HIGH USE OF MANUAL PAYMENTS AMONG NON USERS, ALTHOUGH ALSO HIGH USAGE OF STANDING ORDERS FOR BILLS WHERE THIS IS NOT NORMALLY AN OPTION

## Financial commitments among non DD users



Q2: Which of the following regular financial commitments does your business have?

Q3: How do you typically pay your [bills]? Base: All non DD users (281) **CAUTION: SMALL BASES**

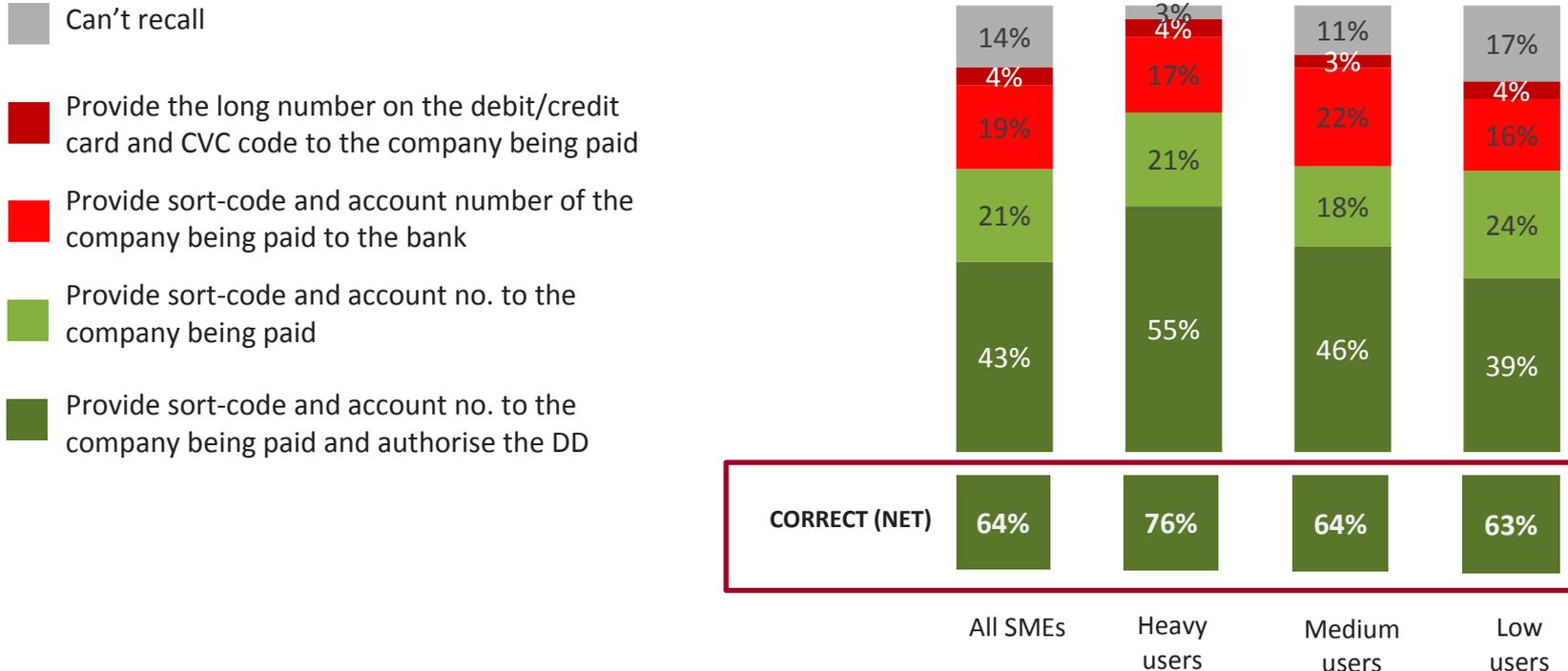
# SME FINDINGS

## - UNDERSTANDING



THE MAJORITY UNDERSTAND HOW DIRECT DEBITS ARE SET UP, ALTHOUGH SOME CONFUSION ABOUT WHOSE SORT CODE AND ACCOUNT NUMBER ARE PROVIDED

Understanding of how Direct Debits are set up

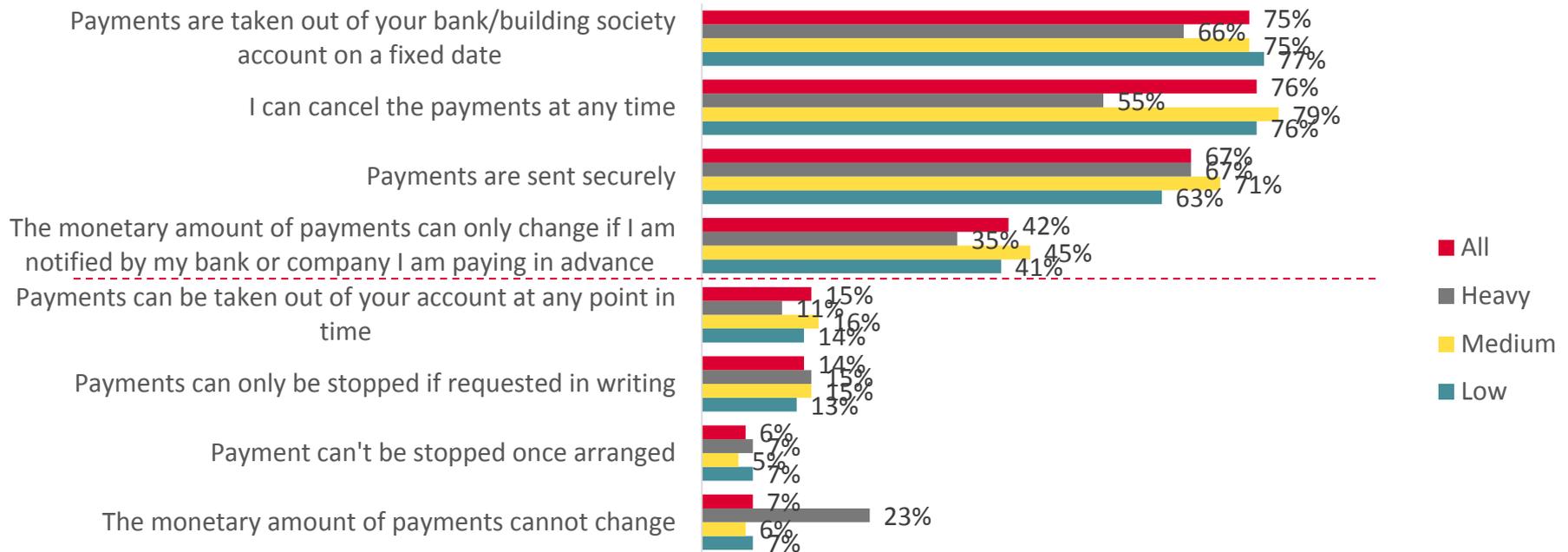


Q4: Thinking specifically about the Direct Debits that you have already, which one of the following best describes what you must do to set up a Direct Debit (DD) for your business?

Base: All DD users (719) Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311)

GENERALLY A GOOD UNDERSTANDING OF DIRECT DEBIT FEATURES, BUT SOME HEAVY USERS THINK PAYMENT VALUES CANNOT CHANGE – COULD BE DRIVEN BY THE TYPE OF BILLS THEY HAVE

### Understanding of Direct Debit features



Q5: Which, if any, of the following do you think describe the features of a Direct Debit? Please select all that apply.

Base: All DD users (719) Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311)

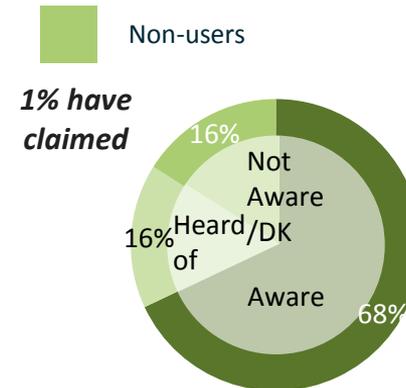
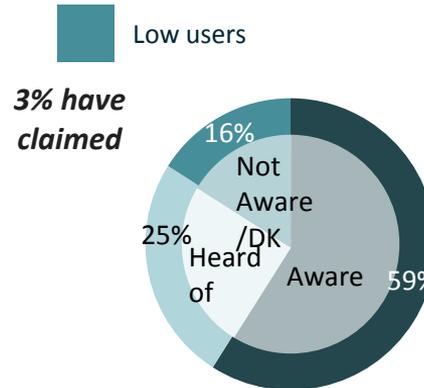
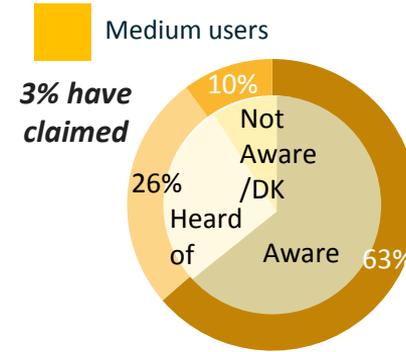
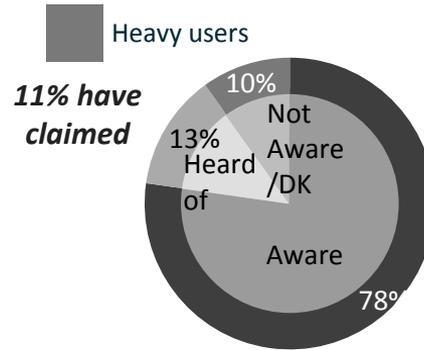
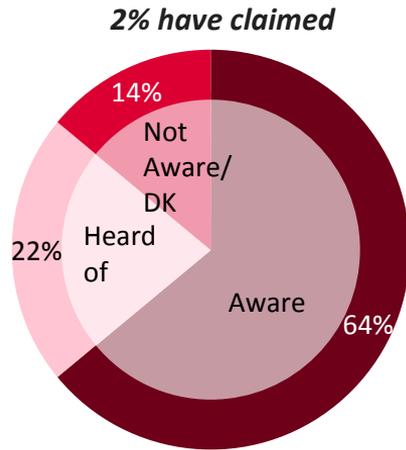
# SME FINDINGS

## - THE DIRECT DEBIT GUARANTEE



# AWARENESS OF THE DD GUARANTEE IS HIGH AMONG SMES, PARTICULARLY HEAVY USERS WHO ARE ALSO MORE LIKELY TO HAVE CLAIMED

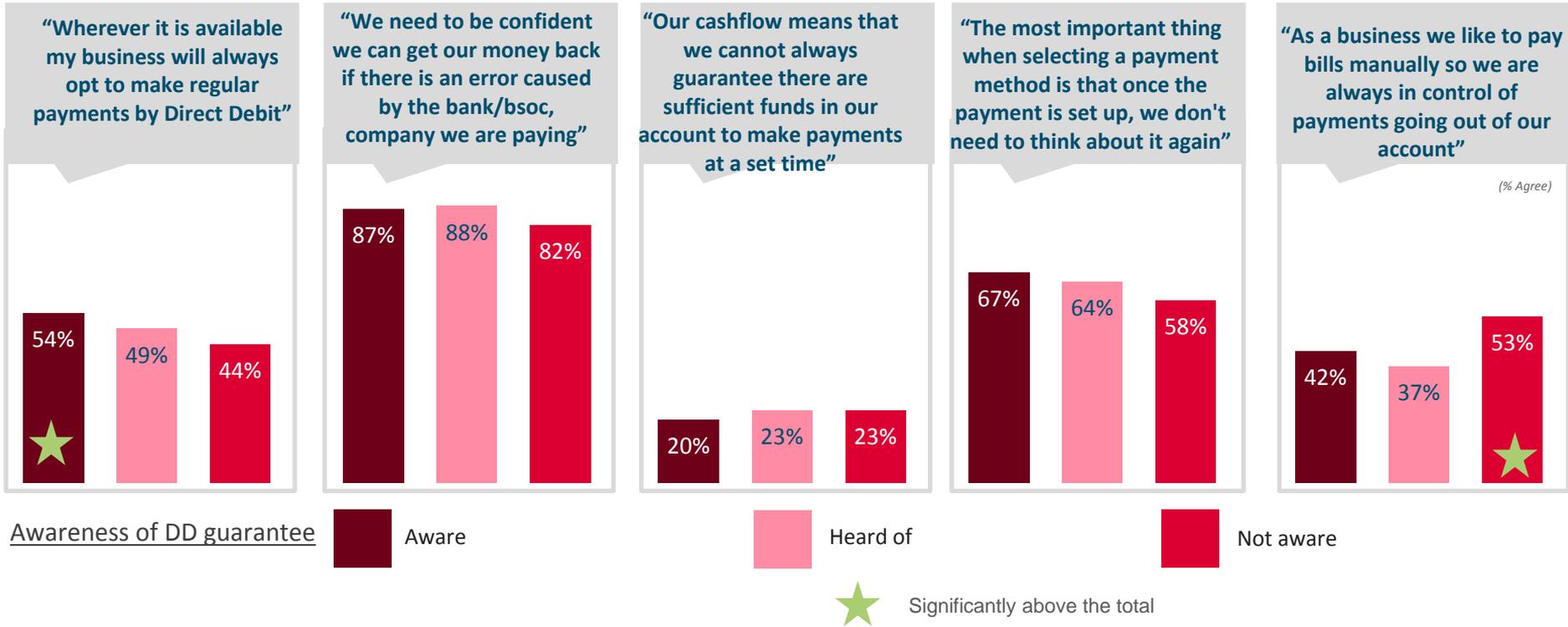
## Awareness of Direct Debit Guarantee



**Aware** = I am aware of it and know what it is  
**Heard of** = I have heard of it but don't know what it is  
**Not aware** = I am not aware of it

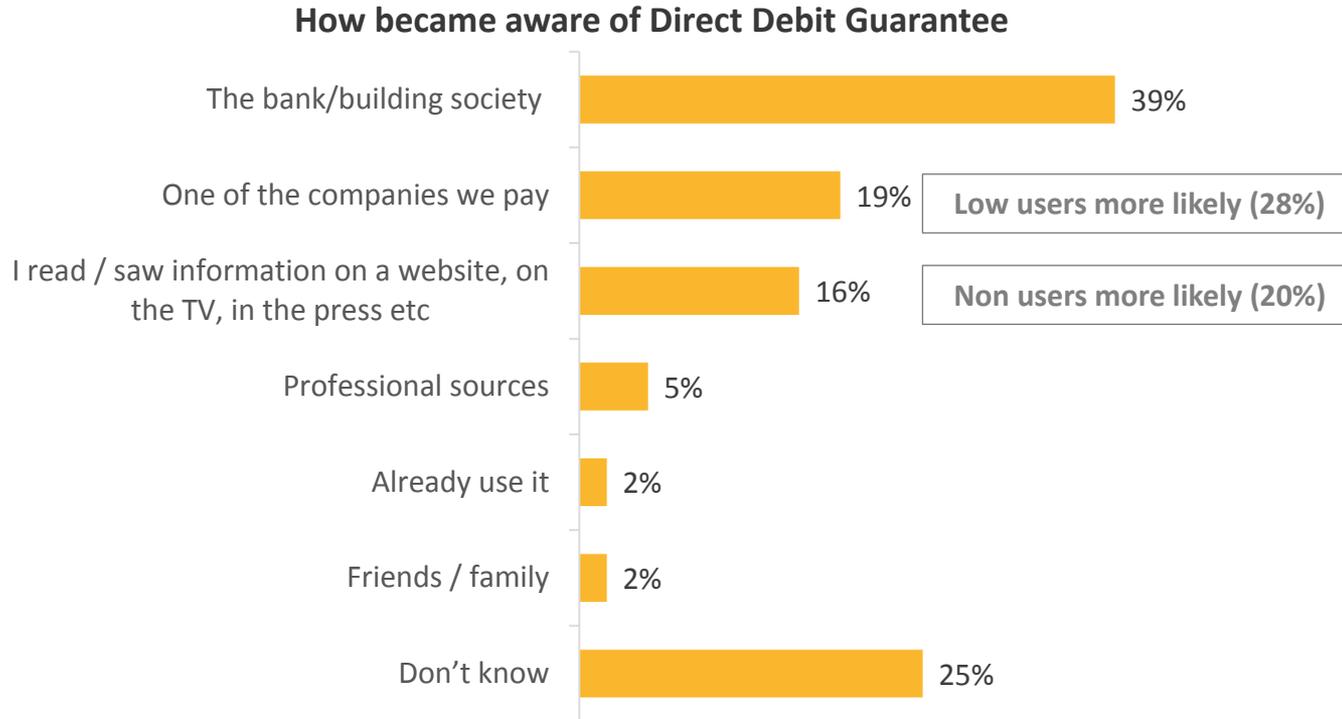
Q7: Which of the following best describes your awareness of the Direct Debit Guarantee? (1000), QP08A - Have you ever claimed on the Direct Debit Guarantee?  
 Base: All SMEs (1000) Heavy users 6+ DD (73), Medium user 3-5 DD (335), Low users 1-2DD (311), Non-users (281)

# CONFIDENCE IN GETTING MONEY BACK IF THERE ARE ERRORS IS IMPORTANT TO SMES EVEN IF THEY ARE NOT CURRENTLY AWARE OF THE GUARANTEE



Q15 To what extent do you agree, or disagree, that... BASE: All aware (661), Heard of (219), Not aware / DK (120)

## THE BANK IS THE MOST COMMON PLACE FOR FINDING OUT ABOUT THE DD GUARANTEE ALTHOUGH ONE IN FOUR CAN'T RECALL

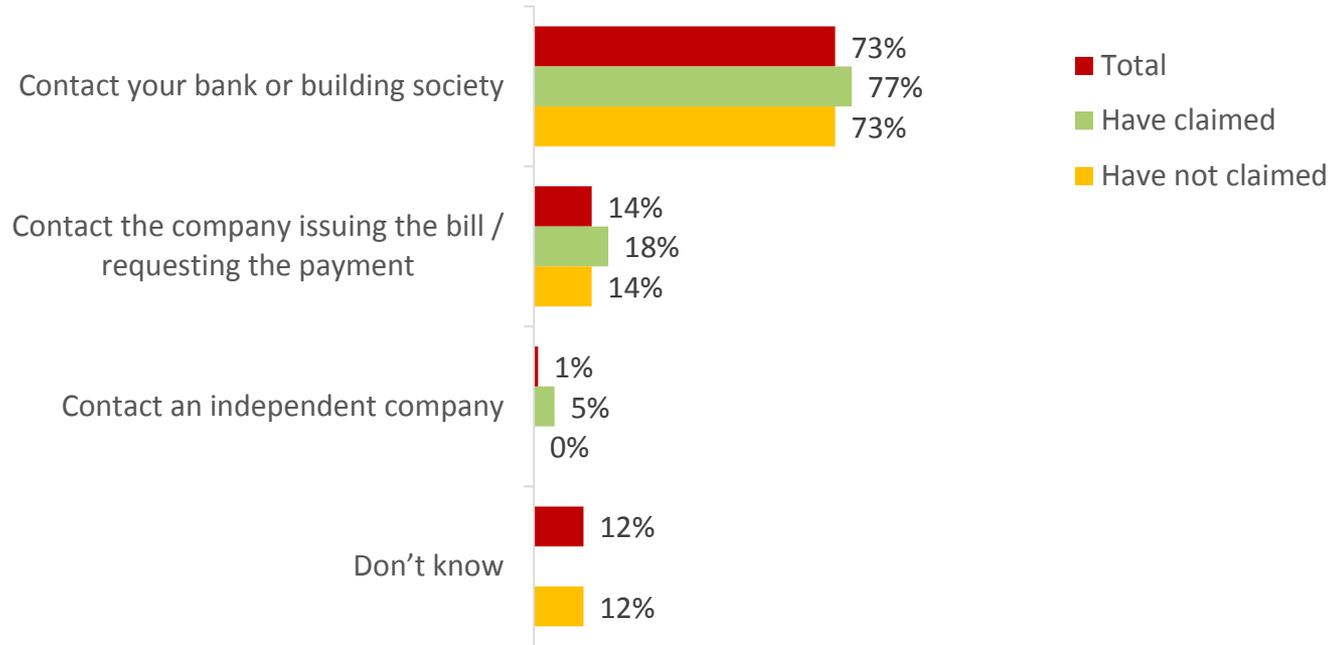


Q8c: Which of the following made you aware of the Direct Debit Guarantee?

Base: All aware of DD Guarantee (880)

## THE MAJORITY ARE AWARE THAT A CLAIM WOULD BE COMPLETED VIA THE BANK OR BUILDING SOCIETY

### How claimed / would claim on Direct Debit Guarantee

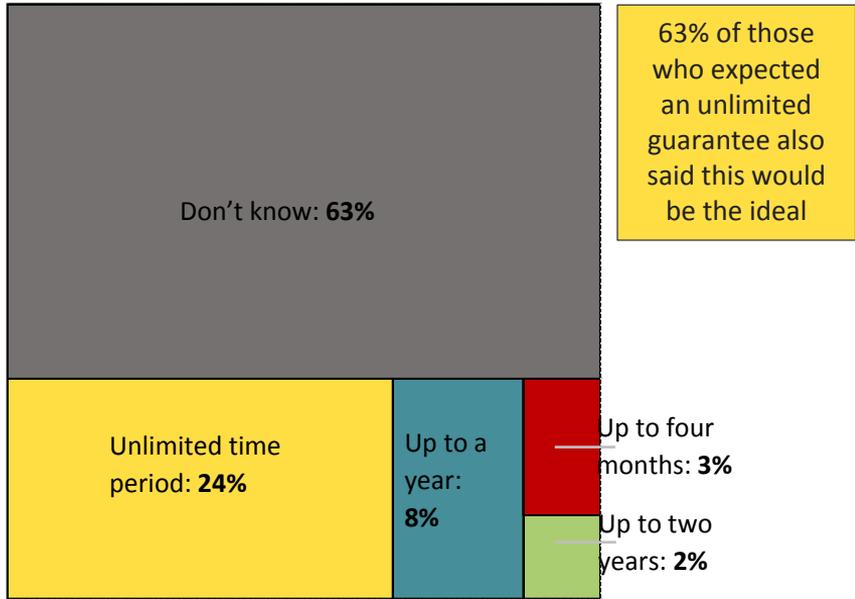


Q10: How did you / How do you think you would make a claim using the Direct Debit Guarantee?

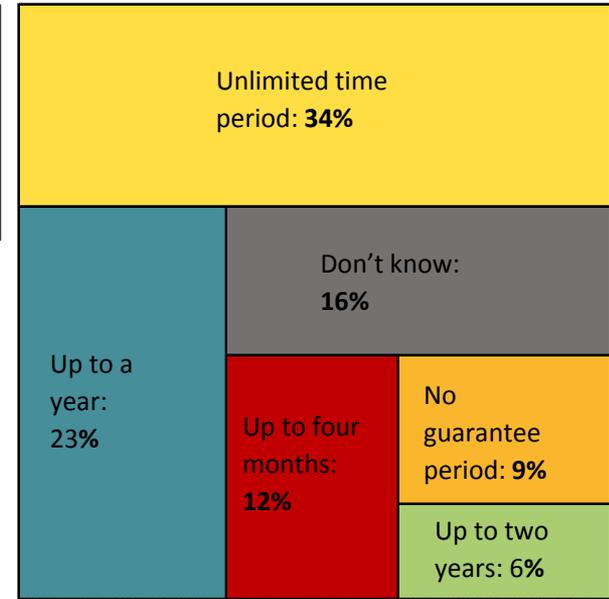
Base: All who have claimed (43)\*, All who have not claimed (921) \*CAUTION: SMALL BASE

DESPITE HIGH CLAIMED AWARENESS, THE MAJORITY DON'T KNOW HOW LONG THE GUARANTEE IS VALID, ALTHOUGH THE PREFERENCE IS UNLIMITED

Expectations of current guarantee period



Expectations of ideal guarantee period

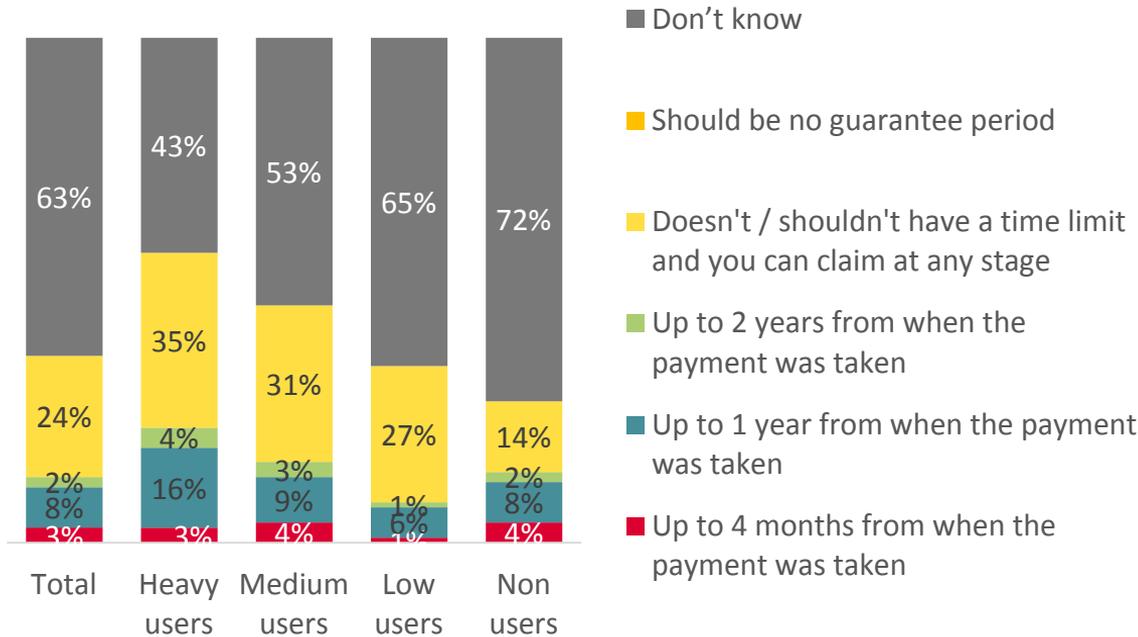


Q8(b). Which of the following best describes how long the Direct Debit Guarantee is valid for? All aware of Direct Debit Guarantee (880).

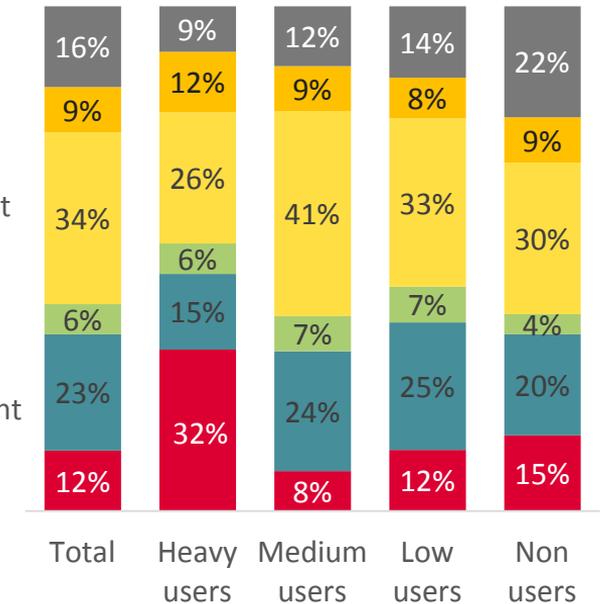
Q9. How long after the payment do you think you should be able to claim for this refund? All respondents (1000)

# CLAIMED UNDERSTANDING OF GUARANTEE PERIOD IS HIGHER AMONG HEAVIER DD USERS ALTHOUGH THEY HAVE EXPECTATIONS OF A RESTRICTED TIMEFRAME FOR CLAIMS

### Expectations of current guarantee period



### Expectations of ideal guarantee period

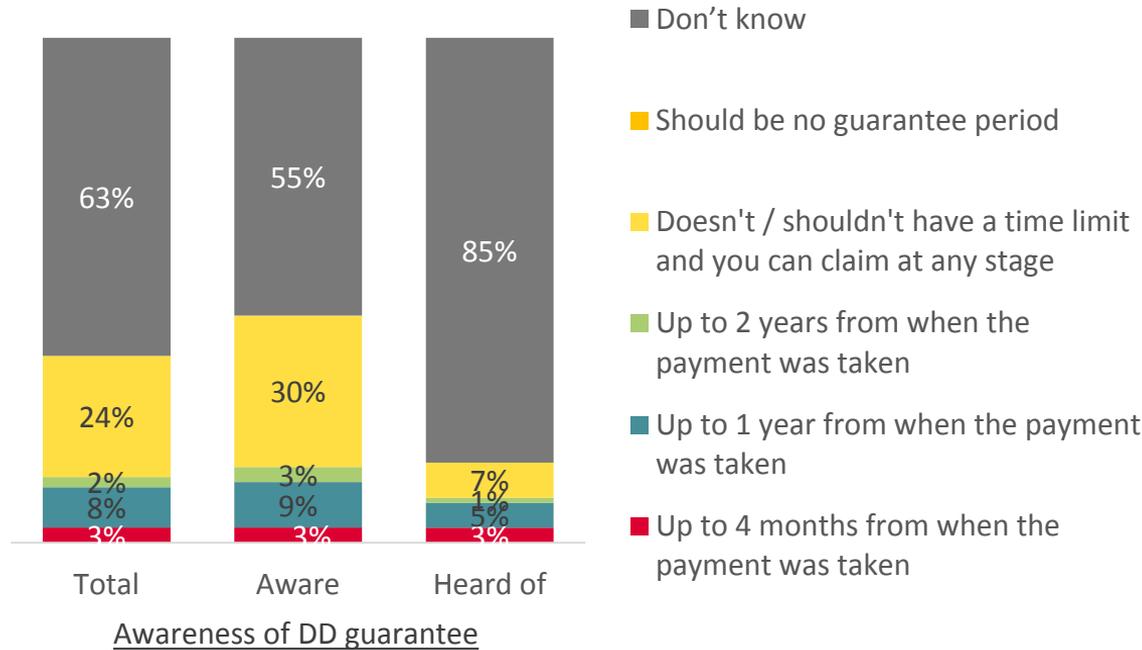


Q8(b). Which of the following best describes how long the Direct Debit Guarantee is valid for? All aware of Direct Debit Guarantee (880).

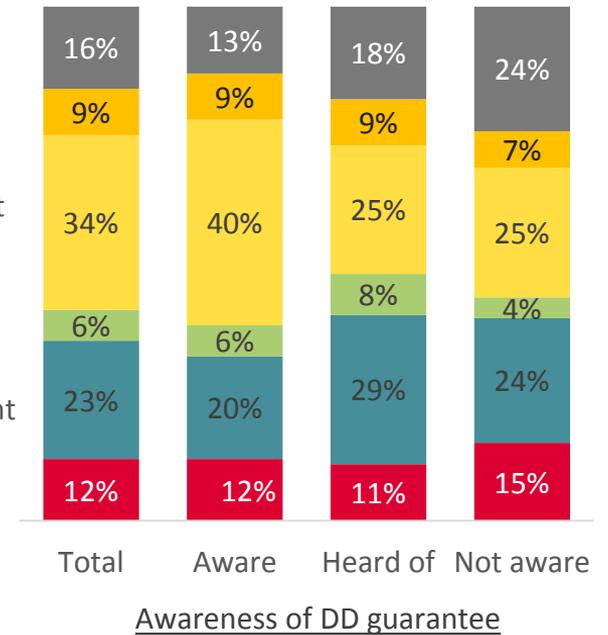
Q9. How long after the payment do you think you should be able to claim for this refund? All respondents (1000)

# THOSE AWARE OF THE GUARANTEE ARE MORE LIKELY TO EXPECT AN UNRESTRICTED TIMEFRAME

Expectations of current guarantee period



Expectations of ideal guarantee period



Q8(b). Which of the following best describes how long the Direct Debit Guarantee is valid for? All aware of Direct Debit Guarantee (880).  
 Q9. How long after the payment do you think you should be able to claim for this refund? All respondents (1000)

# EXECUTIVE SUMMARY



- Direct Debits are a popular payment method used by the majority (83%) of consumers.
- **Non users and low users** tend to be younger and so usage is impacted by both the fact they have less financial commitments and that they are less financially confident.
- Low and non users' financial needs are simpler - around half claim they manually manage their bills so they can control what's in their account but there is some concern that they may not have the money to cover the payments. Low users have interest in notifications which could help alleviate control concerns.
- There is a general lack of awareness and confusion around the guarantee, although the security this provides is important (more among low users than non users).
- There is some acceptance of the idea of a restricted timeframe for the guarantee, with many consumers unaware of the current guarantee period.
- **Mid and heavy users** make up almost two thirds of consumers. With a higher number of financial commitments to manage and a higher level of financial confidence, the convenience of Direct Debits is key. They are more likely to be within the time poor family life stage and prioritise long term convenience of Direct Debits.
- Experience of claims is overstated and is potentially being confused with other bill and payment queries (direct with company).
- More mid and heavy users favour an unlimited guarantee, but again some acceptance of a restricted timeframe. These consumers are enthusiastic towards Direct Debits due to the benefits it brings around ease of financial management, so reducing the timeframe is unlikely to deter from usage.

- Direct Debits are only used by two thirds (68%) of SMEs, with cards and cash often being used alongside automated payments.
- **Non users and low users** have a similar profile and are mainly sole traders (unregistered) with few financial commitments. They are less likely to describe themselves as innovative or financially strong.
- However, **low users** have that characteristic because they simply have less need and have the potential to increase usage as their business grows – most still agree they are always likely to opt for Direct Debits.
- For **non users** Direct Debits present a potential risk as they cannot guarantee cashflow and like to manage payments manually. Less opportunity to increase use of Direct Debit among this group.
- **Heavy users** are predominately the largest SMEs, so most of those with 10-249 employees are within this group. This means they have more financial commitments, greater management needs so likely to have a designated financial team managing payments.
- The convenience of Direct Debits is important for heavy users but processes (e.g. prior notification of individual Direct Debits) to enhance control will help as payments are potentially larger so cashflow is also a concern for some of these larger SMEs.
- **Mid and heavy users** generally have a better understanding than non and low users, although heavy users have some confusion over the features, which could be driven more by internal processes rather than a real lack of understanding.
- Claimed awareness of the guarantee is fairly high among all SMEs although the majority do not know how long the guarantee is valid. An unlimited guarantee period is generally preferred but a restricted timeframe is unlikely to have a significant impact. Heavy users in particular are more open to a shorter period.

# SEGMENTATION



# CONSUMER SEGMENTATION:

## Key questions from factor analysis:

- I am usually aware of the amount of money in my current account
- Wherever it is available I will always opt to make regular payments by Direct Debit
- The most important think when selecting a payment method is to be confident I will get my money back if there is an error

## Methodology:

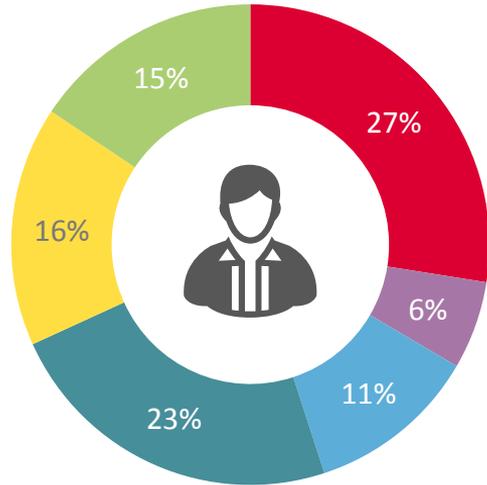
A factor analysis was conducted in order to reduce the number of variables into 3 key questions (See left)

Correlation to ensure that selected variables are not highlight correlated

Segmentation rules defined

	Informed user	Uninformed user	Convenience driven	Peace of mind	Informed rejectors	Uninformed rejectors
I am usually aware of the amount of money in my current account(s)	✓	⊗			✓	⊗
Wherever it is available I will always opt to make regular payments by Direct Debit	✓	✓	✓	⊗	⊗	⊗
The most important thing when selecting a payment method is to be confident I will get my money back if there is an error cause	✓	✓	⊗	✓	⊗	⊗

# CONSUMER SEGMENTATION:



## Informed user

Likely to be an older customer on an average income who is well aware of their own personal finances through regular checking of their bank balance. These users will opt to use a Direct Debit wherever it is available and enjoy the benefits of convenience and security that a direct debit provides. They have a good awareness of the Direct Debit Guarantee

## Uninformed user

Likely to be young to middle aged and on a higher salary range. They do not have a strong awareness of where they stand financially yet they enjoy the benefits which the Direct Debit provides, and therefore opt to use it when available.

## Convenience driven

These users tend to be younger to middle aged and on a higher income bracket with a good understanding of their finances. They usually opt in to use Direct Debits where available yet do so more for convenience as they are less concerned about getting their money back if there is an error.

## Peace of mind

Likely to be a middle aged customer on an average to slightly lower income. They tend to know where they stand financially yet would not opt to use the Direct Debit if it were available. Security of payments is important to these customers despite having little knowledge about the Direct Debit Guarantee.

## Informed rejectors

This customer tends to be aware of where they stand financially and is likely to be on an average to lower income. They like to be in control of their finances and often prefer to pay manually over using a Direct Debit. They don't tend to have much awareness of the Direct Debit Guarantee as they are low users of the service.

## Uninformed rejectors

Likely to be a younger customer on a lower income. They do not check their finances regularly and have little knowledge on where they stand financially. They don't know much about Direct Debit Guarantee and do not opt to use Direct Debits were it to be available to them.

# CONSUMER SEGMENTATION:

Informed user

Uninformed user

Convenience driven

Peace of mind

Informed rejectors

Uninformed rejectors

## Reason use DD

Once payments are set up, I don't have to worry about remembering to pay for them

57%

65%

65%

49%

41%

23%

It is easy to set up

16%

14%

19%

18%

19%

30%

## DD Guarantee

Aware of and know what it is

46%

31%

38%

34%

28%

20%

Ever claimed

6%

5%

9%

8%

4%

11%

The guarantee doesn't have a time limit

48%

41%

35%

33%

30%

34%

The guarantee shouldn't have a time limit

44%

43%

47%

47%

30%

40%

## SME SEGMENTATION:

### Key questions from factor analysis:

- My business is currently in a strong financial position
- Wherever it is available I will always opt to make regular payments by Direct Debit
- My business is always looking at ways to become more efficient

### Methodology:

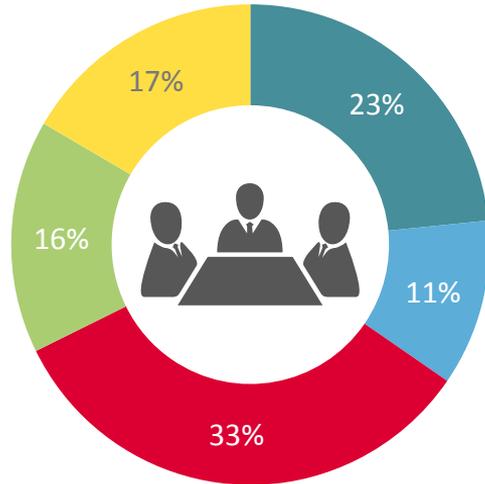
A factor analysis was conducted in order to reduce the number of variables into 3 key questions (See left)

Correlation to ensure that selected variables are not highly correlated

Segmentation rules defined

	Innovative	Established	New	Efficiency Seeker	Surviving
My business is currently in a strong financial position	✓		⊗	✓	
Wherever it is available my business will always opt to make regular payments by Direct Debit	✓	✓		⊗	⊗
My business is always looking at ways to become more efficient	✓	⊗	✓	✓	⊗

## SME SEGMENTATION:



### Innovative

These tend to be larger, more established yet innovative companies with a larger than average number of employees. They are likely to be high users of Direct Debit and would opt to use it wherever it is available to them. With a more established status, they have good control of their finances and have a good awareness of the Direct Debit Guarantee. This gives them peace of mind and are happy to not think about payments through using Direct Debit.

### Established

Likely to be a smaller yet relatively established organisation. They are not a very forward thinking nor efficient organisation yet will tend to opt to make Direct Debits whenever available due to the convenience that it provides for them.

### New

Likely to be a relatively new businesses with fewer employees and tend to be less financially secure. They aim to become more efficient and are keeping control of their finances yet are not currently opting to use Direct Debits where available as they cannot guarantee sufficient funds are available when payment occurs.

### Efficiency Seeker

Likely to be a larger and more established organisation with a strong financial position, but always looking for ways to be more efficient. They tend to keep close control of their spending and finances yet do not opt to use Direct Debits often preferring to use more manual payment methods. They have a good awareness of the Direct Debit Guarantee

### Surviving

Likely to be a smaller organisation, less financially aware of their spending and tend to take manual ownership of their payments. They are less likely to use direct debits were they to come available to them and do not have a great understanding of the Direct Debit Guarantee or the benefits it provides.

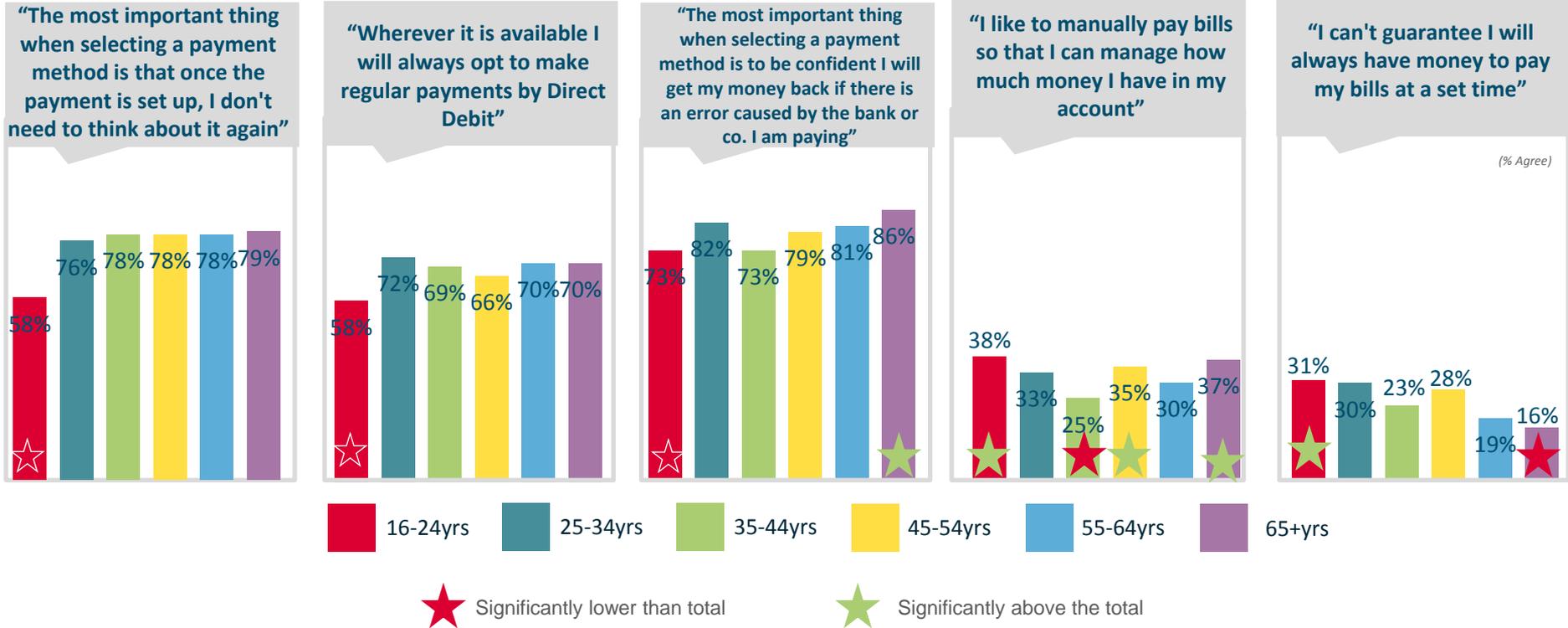
# SME SEGMENTATION:

	Innovative	Established	New	Efficiency Seeker	Surviving
<b>Reason use DD</b>					
Once payments are set up, I don't have to worry about remembering to pay for them	62%	57%	50%	31%	44%
Only method accepted	6%	8%	9%	36%	17%
<b>DD Guarantee</b>					
Aware of and know what it is	71%	69%	56%	72%	58%
Ever claimed	3%	3%	2%	3%	1%
The guarantee doesn't have a time limit	33%	23%	22%	28%	14%
The guarantee shouldn't have a time limit	39%	28%	32%	37%	35%

# APPENDIX



SIMILARLY YOUNGER CONSUMERS ARE MORE LIKELY TO PREFER MAKING MANUAL PAYMENTS WHILE MORE OLDER USERS SAY SECURITY IS IMPORTANT



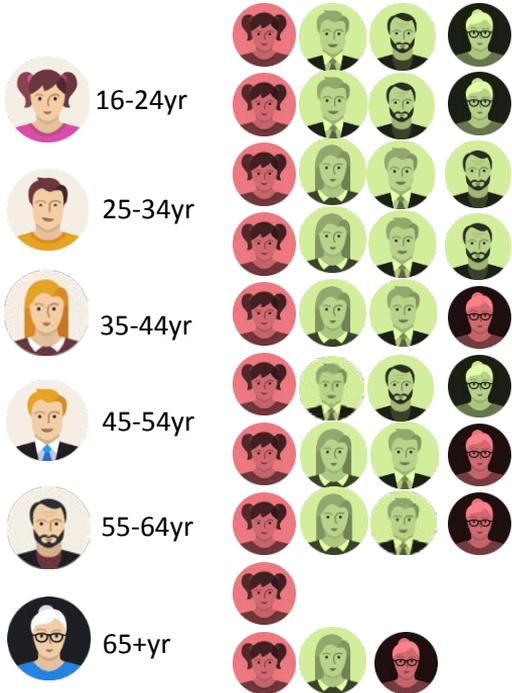
Q15 To what extent do you agree, or disagree, that... Base: All respondents (2037), 16-24 (264), 25-34 (299), 35-44 (289), 45-54 (315), 55-64 (320), 65+ (550)

HIGHER SOCIAL GRADES HAVE A STRONGER INCLINATION FOR DIRECT DEBITS, DRIVEN BY A GREATER NEED, ALTHOUGH A NOTABLE PROPORTION OF ABS SAY MANUAL PAYMENTS ARE A PREFERENCE



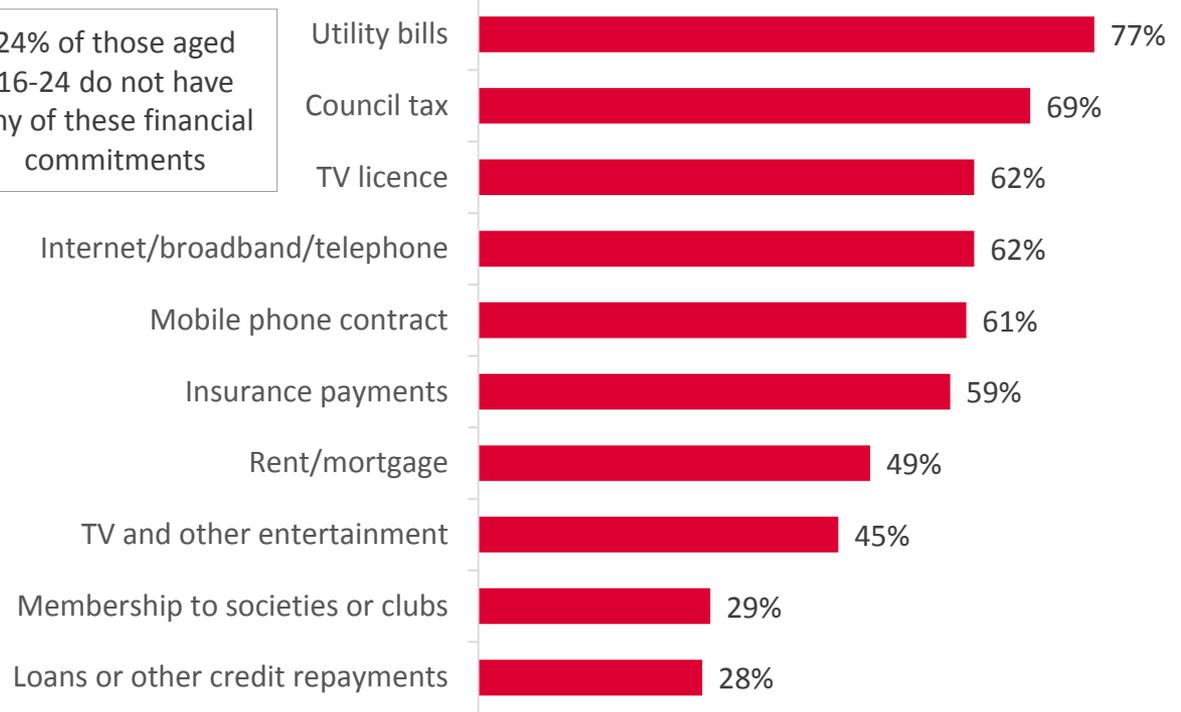
# A HIGH PROPORTION OF CONSUMERS HAVE MULTIPLE FINANCIAL COMMITMENTS

● Significantly above the total



24% of those aged 16-24 do not have any of these financial commitments

## Financial commitments



Q2. Which of these regular financial commitments do you? BASE : 2037  
 (All respondents), 16-24yr (301), 25-34yr (337), 35-44yr (328), 45-54yr (347), 55-64yr (285), 65+yr (440)

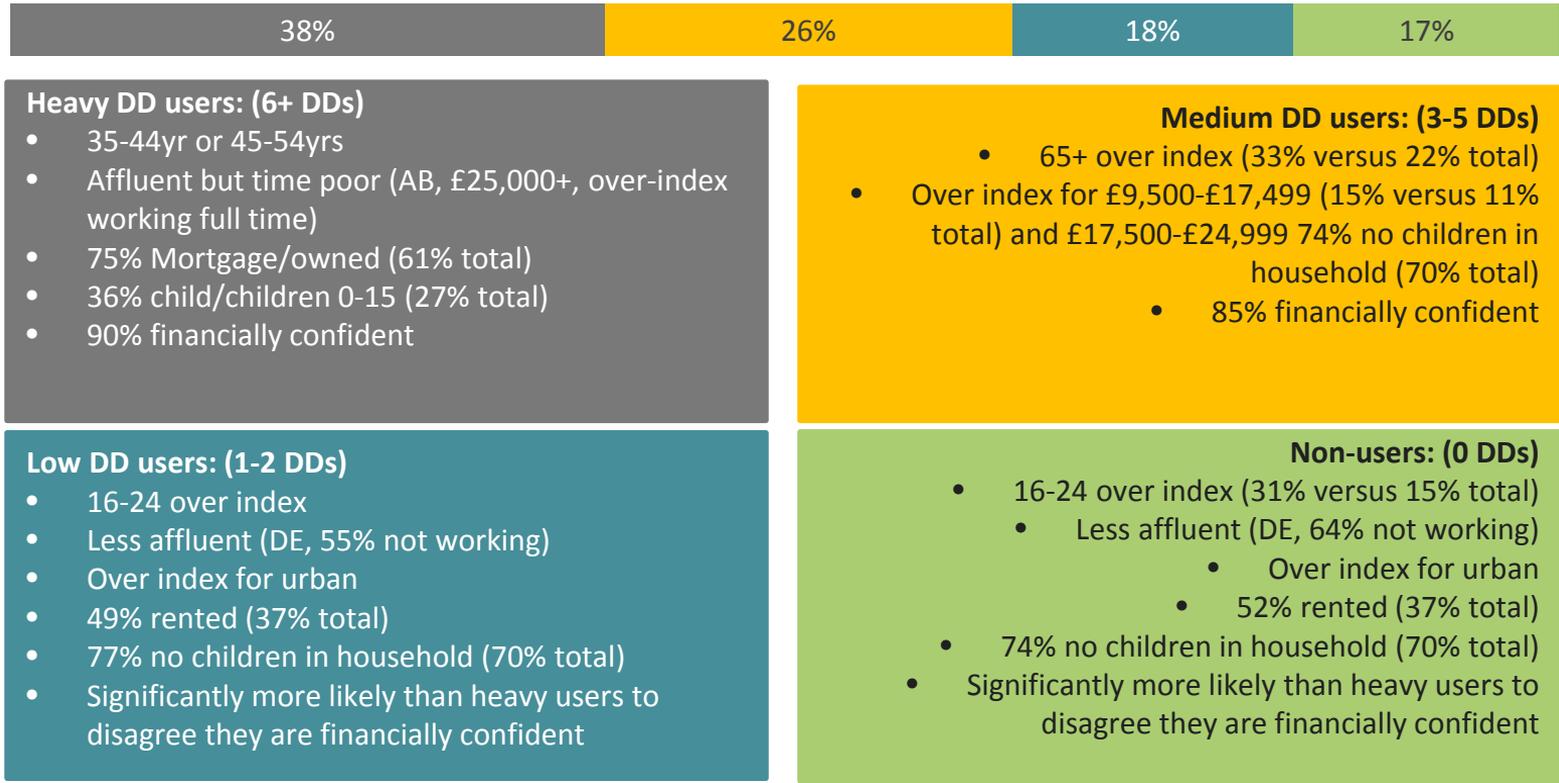
DIRECT DEBITS ARE MOST COMMONLY USED BY CONSUMERS AGED 25-34 AND 35-44

% using Direct Debit as method of payment

-  Council tax
-  TV License
-  TV and other entertainment
-  Mobile phone
-  Memberships to societies or clubs
-  Insurance products
-  Internet/ broadband or telephone subscriptions/bills
-  Utility bills

	16-24 yrs	25-34 yrs	35-44 yrs	45-54 yrs	55-64 yrs	65+ yrs
Council tax	91% 	89% 	94% 	91% 	89% 	86% 
TV and other entertainment	83% 	88% 	93% 	89% 	89% 	86% 
Memberships to societies or clubs	80% 	87% 	89% 	87% 	87% 	84% 
Internet/ broadband or telephone subscriptions/bills	80% 	85% 	83% 	83% 	80% 	78% 
Utility bills	74% 	79% 	83% 	80% 	80% 	69% 

THERE ARE DIFFERENCES IN THE TYPE OF CONSUMERS THAT USE DIRECT DEBITS



**Heavy DD users: (6+ DDs)**

- 35-44yr or 45-54yrs
- Affluent but time poor (AB, £25,000+, over-index working full time)
- 75% Mortgage/owned (61% total)
- 36% child/children 0-15 (27% total)
- 90% financially confident

**Medium DD users: (3-5 DDs)**

- 65+ over index (33% versus 22% total)
- Over index for £9,500-£17,499 (15% versus 11% total) and £17,500-£24,999 74% no children in household (70% total)
  - 85% financially confident

**Low DD users: (1-2 DDs)**

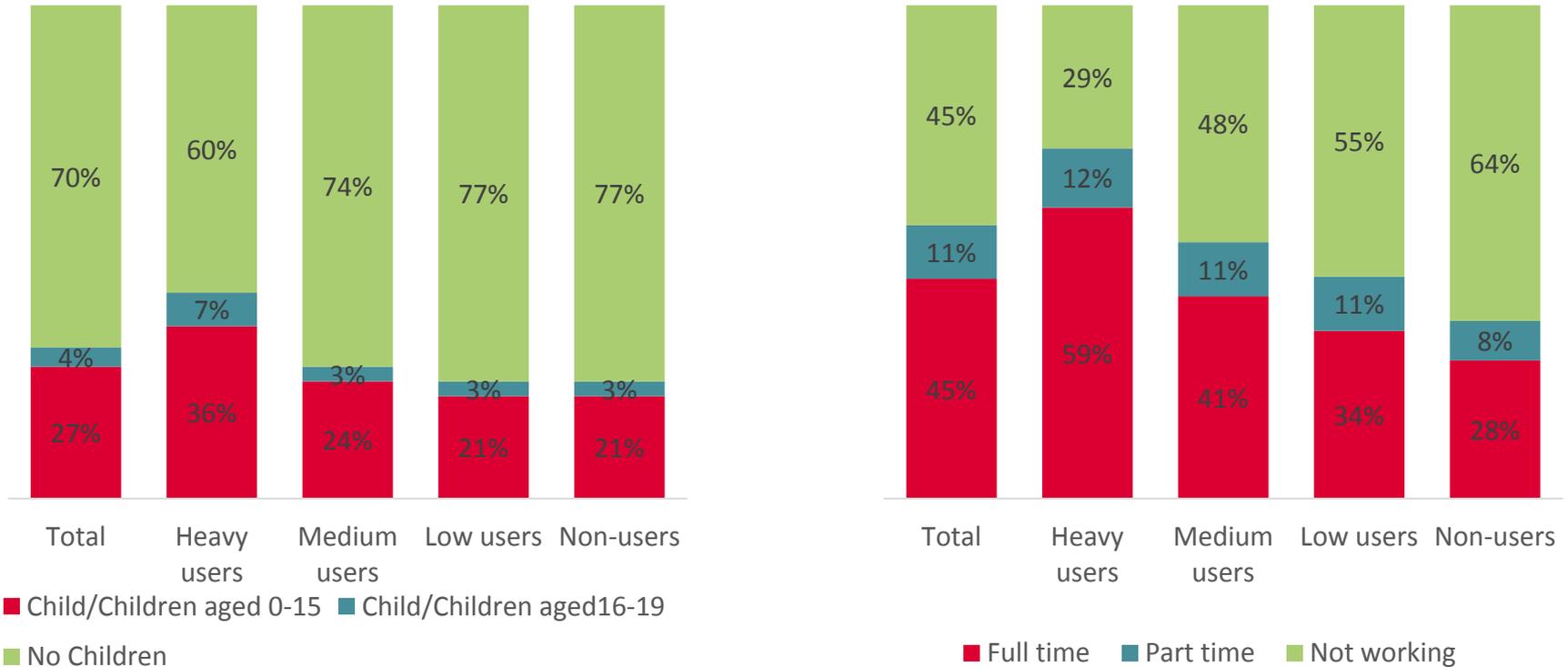
- 16-24 over index
- Less affluent (DE, 55% not working)
- Over index for urban
- 49% rented (37% total)
- 77% no children in household (70% total)
- Significantly more likely than heavy users to disagree they are financially confident

**Non-users: (0 DDs)**

- 16-24 over index (31% versus 15% total)
  - Less affluent (DE, 64% not working)
    - Over index for urban
    - 52% rented (37% total)
- 74% no children in household (70% total)
- Significantly more likely than heavy users to disagree they are financially confident

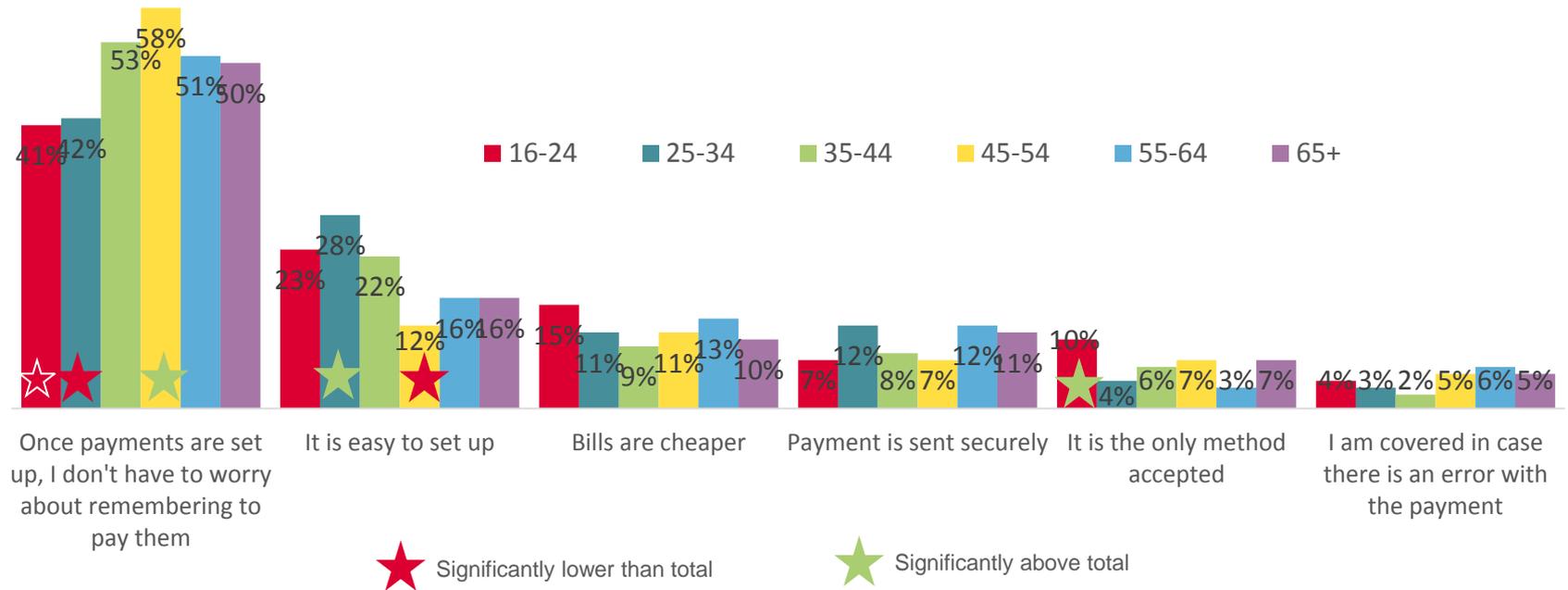
Q3. How do you typically pay your... Heavy users 6+ DD (762), Medium user 3-5 DD (546), Low users 1-2DD (376), Non-users (344).

THOSE WITH CHILDREN ARE MORE LIKELY TO USE DIRECT DEBITS



FOR YOUNGER USERS CONVENIENCE IS LESS IMPORTANT BUT THEY ARE MORE LIKELY TO SAY THEY HAD TO PAY THAT WAY OR THEY BELIEVE BILLS ARE CHEAPER

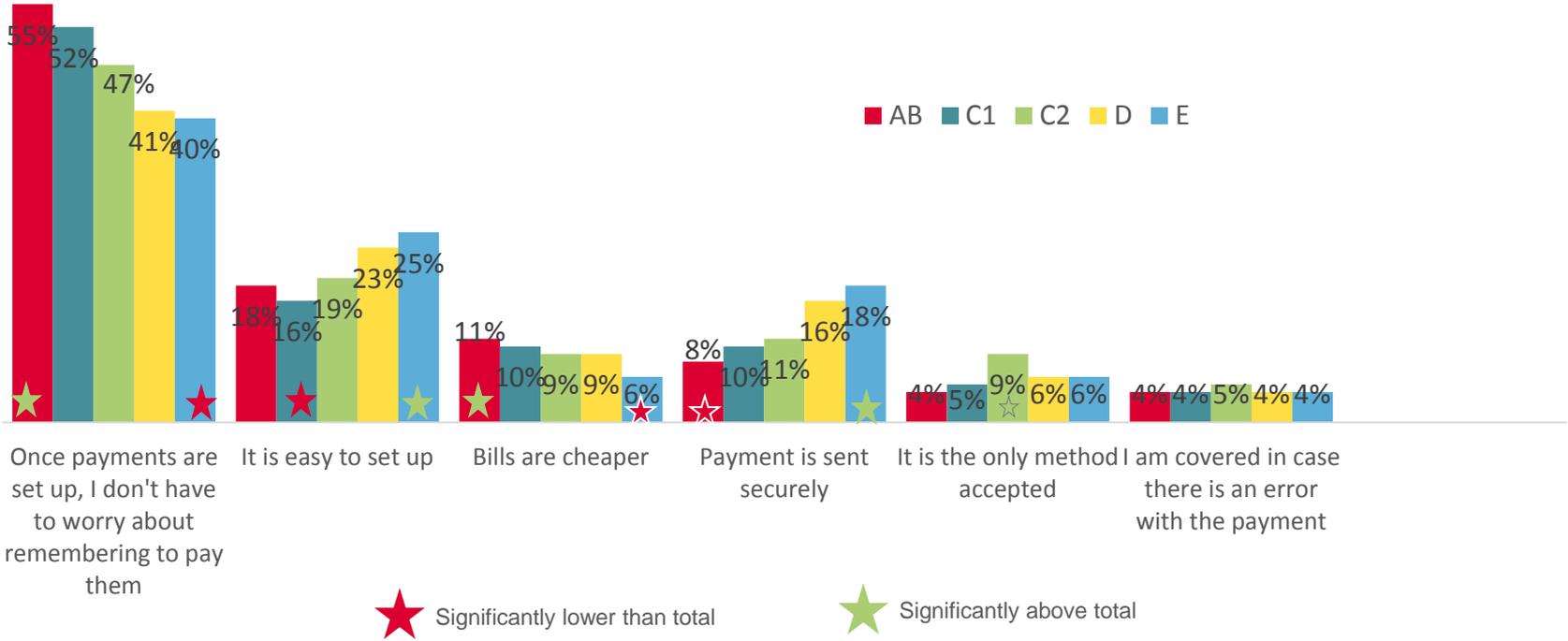
Reasons for using Direct Debits



Q6a, Which, if any, of the following best describes why you use Direct Debits? BASE SIZE: All consumers (2037), 16-24 (166), 25-34 (248), 35-44 (245), 45-54 (268), 55-64 (271), 65+ (388).

# FOR LOW DD USERS THE EASE OF SETTING UP AND SECURITY ARE MORE IMPORTANT COMPARED TO HEAVIER USERS

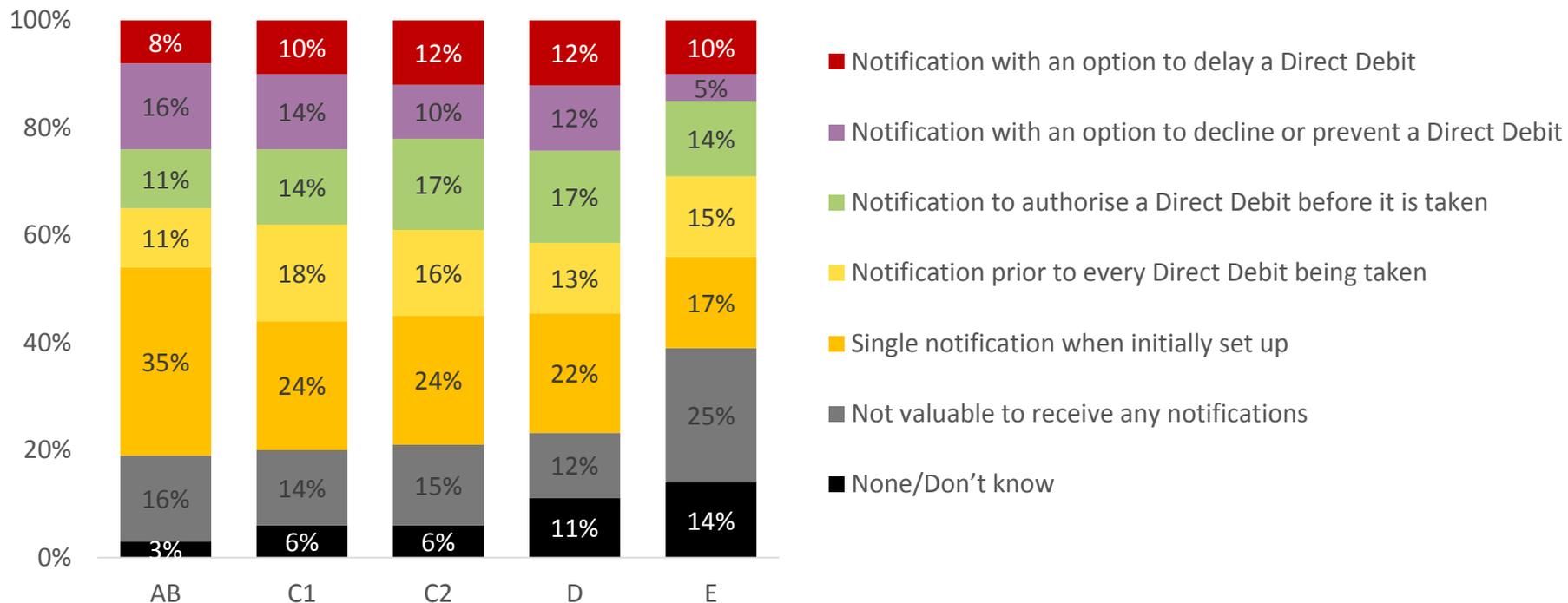
## Reasons for using Direct Debits



Q6a, Which, if any, of the following best describes why you use Direct Debits? BASE SIZE: All consumers paying at least one bill by Direct Debit (1686), Heavy users (762), Medium users (546), Low users (346)

HOWEVER, REGARDLESS OF DD USAGE CONSUMERS ARE SPLIT IN TERMS OF THE VALUE OF NOTIFICATIONS

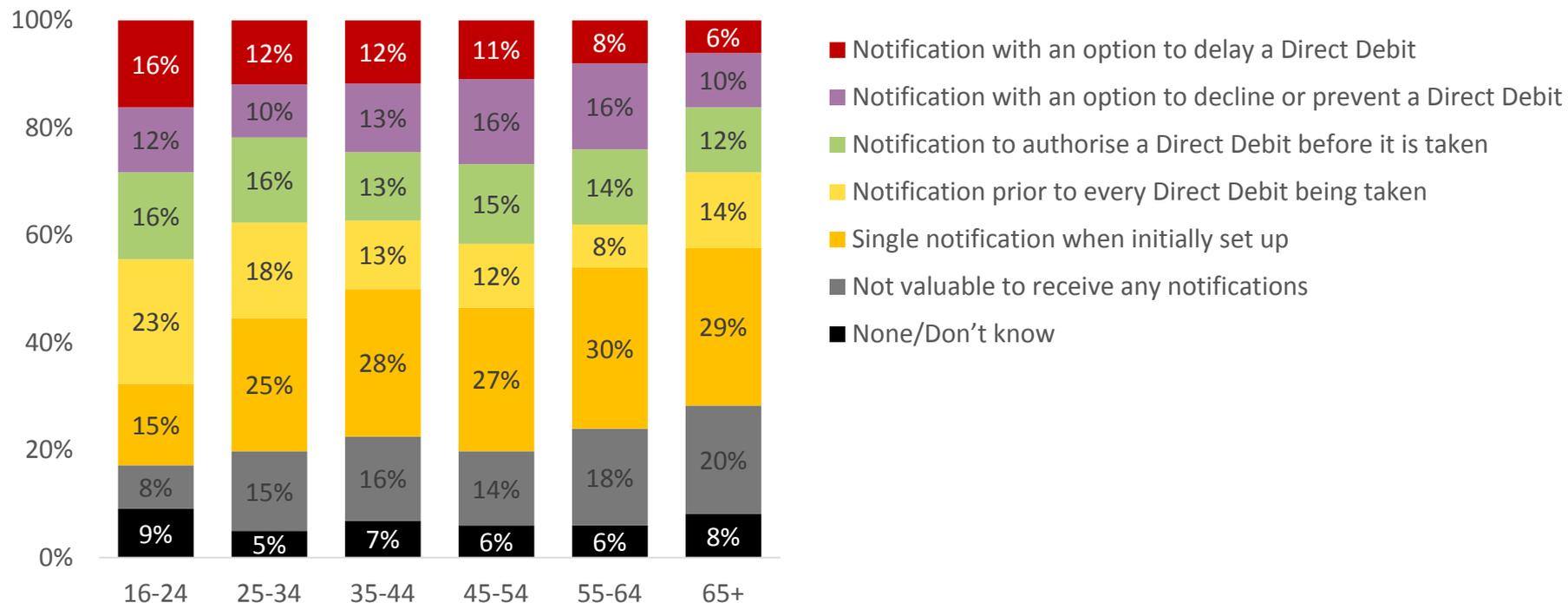
Most valuable when paying by DD



Q13: Which, if any, of these would be most valuable to you when making a Direct Debit (DD) payment?.  
 BASE: All respondents (2037), AB (544), C1 (548), C2 (437), D (315), E (193)

HOWEVER, REGARDLESS OF DD USAGE CONSUMERS ARE SPLIT IN TERMS OF THE VALUE OF NOTIFICATIONS

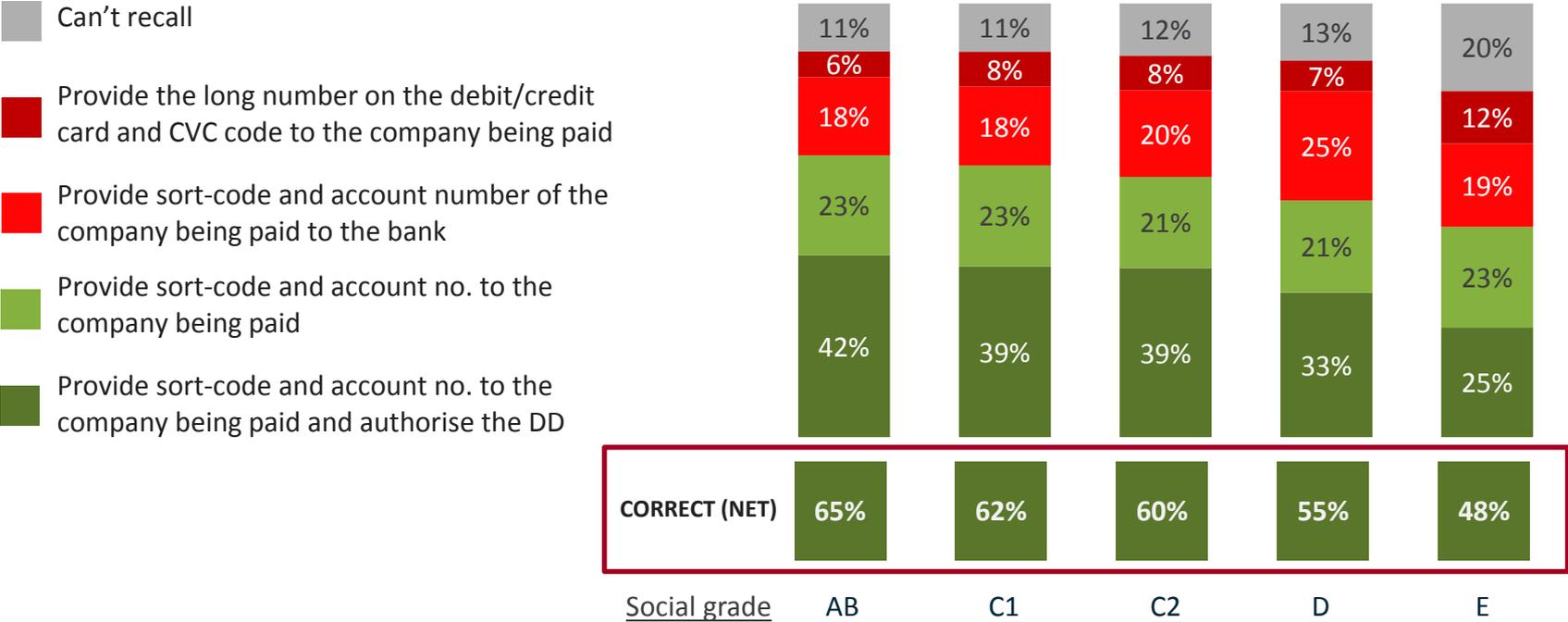
Most valuable when paying by DD



Q13: Which, if any, of these would be most valuable to you when making a Direct Debit (DD) payment?.  
 BASE: All respondents (2037), 16-24 (264), 25-34 (299), 35-44 (289), 45-54 (315), 55-64 (320), 65+ (550)

UNDERSTANDING IS LINKED TO SOCIAL GRADE

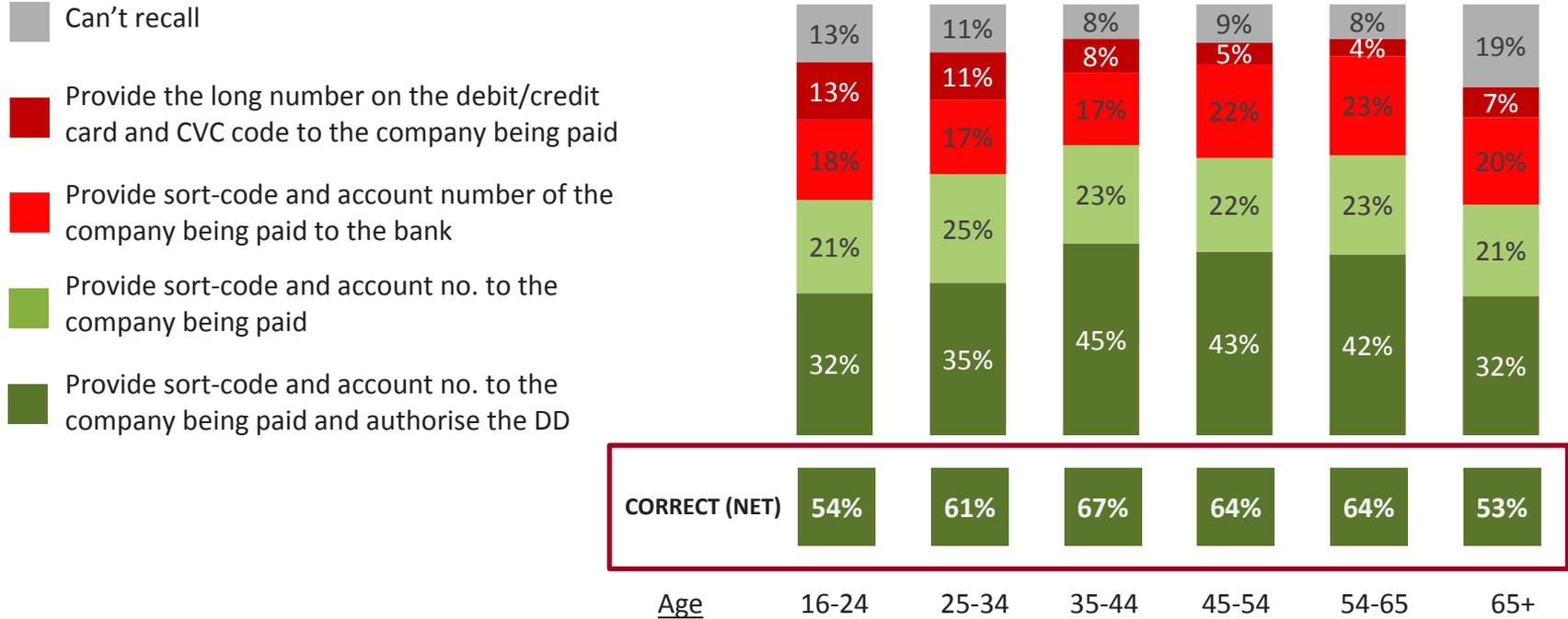
Understanding of how Direct Debits are set up



Q4 Thinking specifically about the Direct Debits that you have already, which one of the following best describes what you must do to set up a Direct Debit?  
 Base: All consumers paying at least one bill by Direct Debit (1684), AB (471), C1 (554), C2 (313), D (194), E (152)

UNDERSTANDING OF DIRECT DEBITS PEAKS AMONG THOSE AGED 35-44 WHERE USAGE IS ALSO HIGH

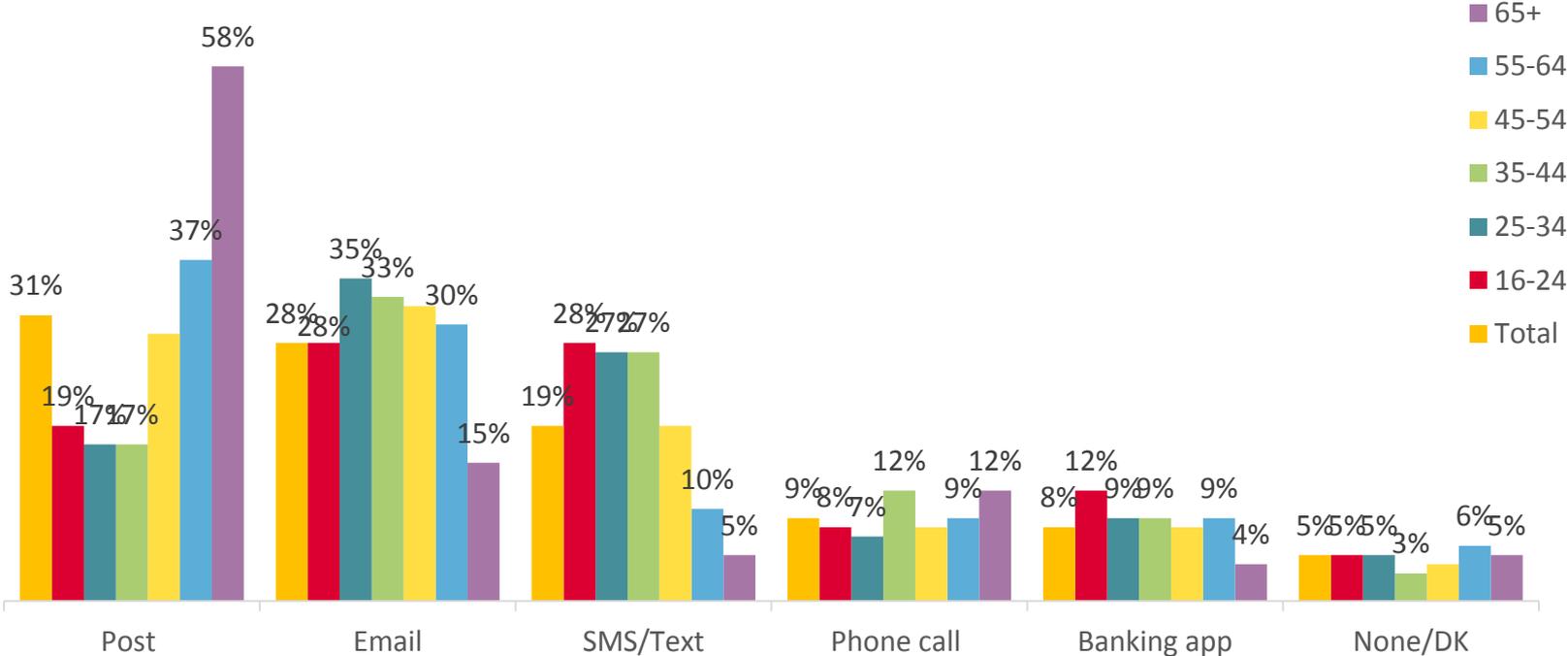
Understanding of how Direct Debits are set up



Q4 Thinking specifically about the Direct Debits that you have already, which one of the following best describes what you must do to set up a Direct Debit?  
 Base: All consumers paying at least one bill by Direct Debit (1684), 16-24 (166) 25-34 (248), 35-44 (245), 45-54 (268), 55-64 (271), 65+ (486)

# POST IS THE PREFERENCE FOR ANY DIRECT DEBIT NOTIFICATIONS

## Preference for notifications



Q14 - How would you prefer to receive this notification from the bank, building society or company you are paying? BASE: All respondents (2037). 16-24 (264), 25-34 (299), 35-44 (289), 45-54 (315), 55-64 (320), 65+ (550)

# OLDER CONSUMERS ARE MORE LIKELY TO EXPECT THE GUARANTEE PERIOD TO BE UNLIMITED

Expectations of current guarantee period

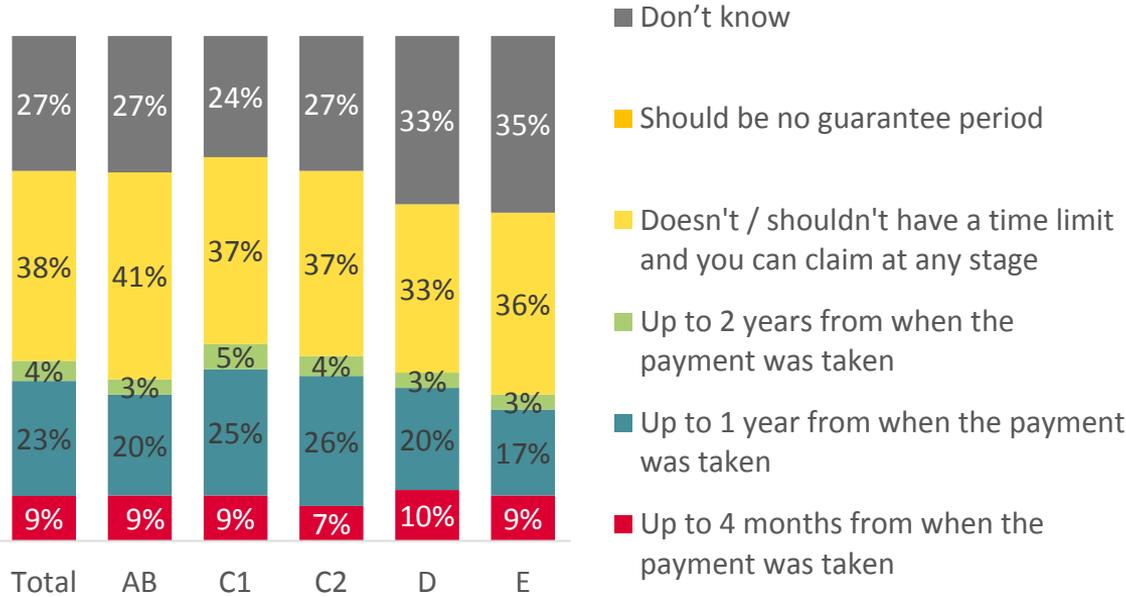
Expectations of ideal guarantee period



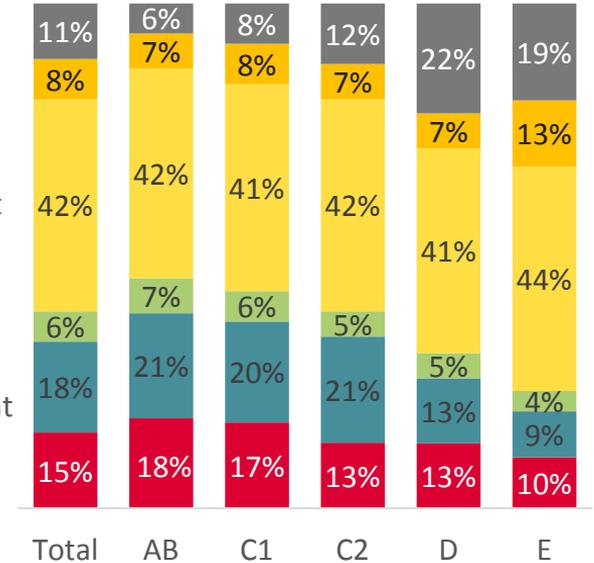
Q8B - Which of the following best describes how long the Direct Debit Guarantee is valid for? Base: All aware of the Direct Debit Guarantee (1155), 16-24 (101), 25-34 (144), 35-44 (183), 45-54 (203), 55-64 (213) 65+ (311). Q9 - How long after the payment do you think you should be able to claim for a refund if an unauthorised or incorrect payment has been taken? Base: All respondents (2037), 16-24 (264), 25-34 (299), 35-44 (289), 45-54 (315), 55-64 (320), 65+ (550).

CONSUMERS OF A HIGHER SOCIAL GRADE ARE MORE LIKELY TO EXPECT THE GUARANTEE PERIOD TO BE UNLIMITED

Expectations of current guarantee period



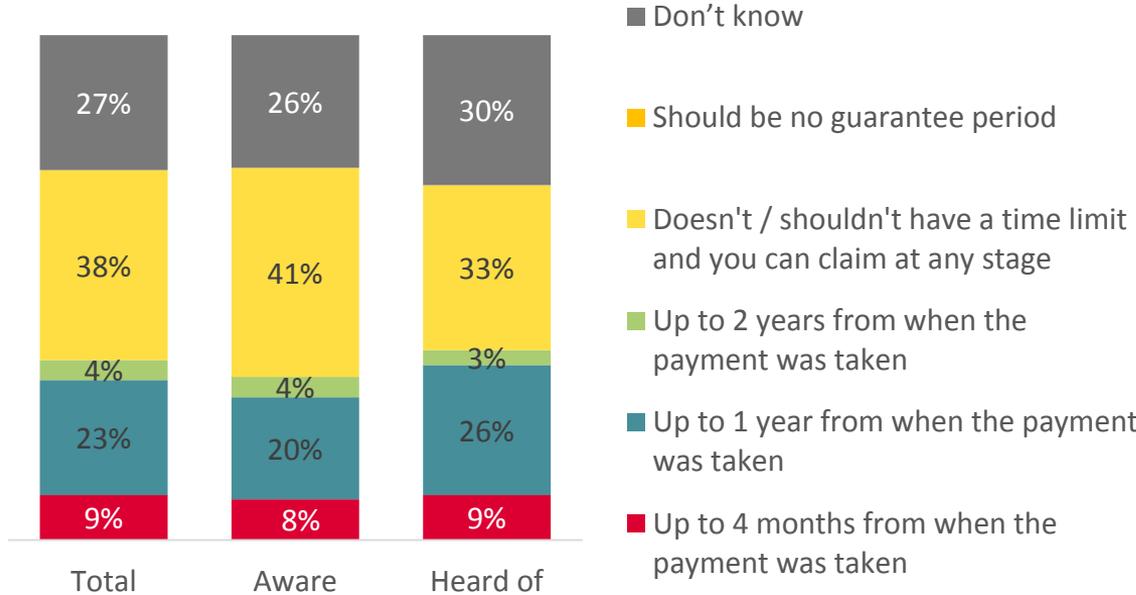
Expectations of ideal guarantee period



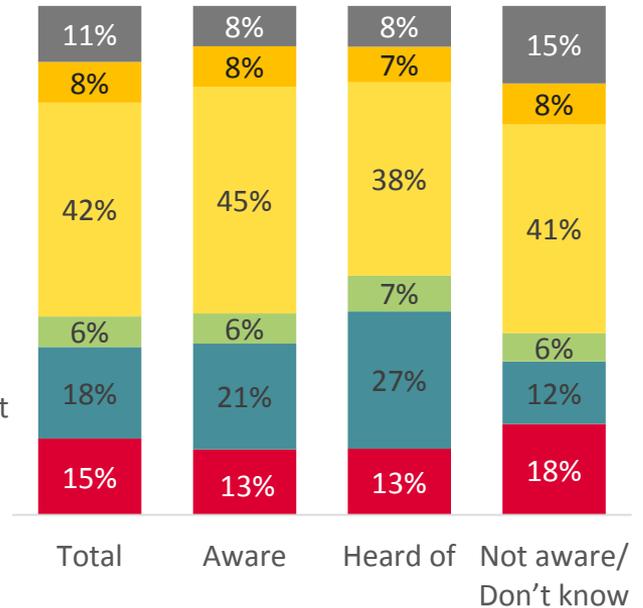
Q8B - Which of the following best describes how long the Direct Debit Guarantee is valid for? Base: All aware of the Direct Debit Guarantee (1155), AB (350), C1 (382), C2 (227), D (101), E (95). Q9 - How long after the payment do you think you should be able to claim for a refund if an unauthorised or incorrect payment has been taken? Base: All respondents (2037), AB (520), C1 (645), C2 (381), D (258), E (233).

THOSE WHO ARE AWARE OF THE GUARANTEE ARE MORE LIKELY TO EXPECT AN UNLIMITED GUARANTEE

Expectations of current guarantee period



Expectations of ideal guarantee period



Q8B - Which of the following best describes how long the Direct Debit Guarantee is valid for? Base: All aware of the Direct Debit Guarantee (1155), Aware (700), Heard of (455). Q9 - How long after the payment do you think you should be able to claim for a refund if an unauthorised or incorrect payment has been taken? Base: All respondents (2037), Aware (700), Heard of (455), Not aware/Don't know (882)

# BACS DIRECT DEBIT CONSULTATION OUTCOMES

ANNEX 2 – INSTITUTE OF DIRECTORS BUSINESS RESEARCH



# SMES AND DIRECT DEBIT

INSIGHTS FROM RESEARCH SURVEY CONDUCTED WITH IOD MEMBERS



# SMES AND DIRECT DEBIT

1 OUR APPROACH

2 KEY FINDINGS

# EXPLORATION OF IOD SMES HAS UNCOVERED THREE PRODUCT DEVELOPMENT PILLARS – ACQUIRE, MAINTAIN AND GROW – TO ENHANCE DD FOR THIS AUDIENCE

## Approach:

The objectives of this survey were to:

- Gain a deeper understanding of what SMEs need from their payment services generally
- Test the hypotheses that:
  - + Some SMEs do not use Direct Debit because there is a risk associated with an unlimited customer guarantee;
  - + There is a market for a B2B specific Direct Debit product.

In particular, we have sought to gain in-depth **behavioural insights** into:

- How businesses use the Direct Debit service
- How they use other forms of payment services and
- How they would respond to the introduction of potential propositions

## Approach:

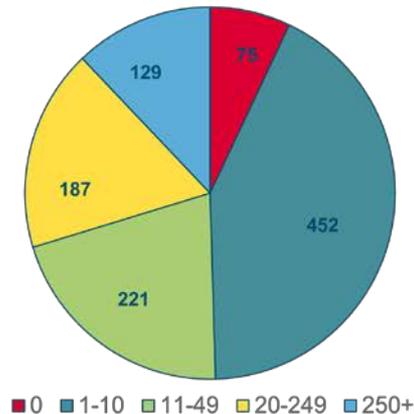
- Our survey formed a part of the Institute of Director's (IoD's) October Policy Voice panel.
- The IoD's 34,000 members are UK company directors who range from entrepreneurs to FTSE board members.
- Policy Voice is the IoD's authoritative public policy panel. It is sent out monthly to approximately 3,500 IoD members who have opted in to engage in a range of matters that affect business in the UK.
- Our survey was carried out online between 10th and 28th October 2016, and was completed by **1,071 members**.

## Outcomes:

1. Direct Debit is one of the most widely accepted methods of collecting payments. For users, it is particularly attractive for the certainty of payment it provides and the low costs incurred.
2. There are however a number of operational and access issues that act as a barriers to wider uptake and preference for Direct Debit.
3. To address these concerns and to meet the varying need states of SMEs, we recommend targeted propositions aimed at
  - i. Ensuring the evolving needs of existing customers are being **maintained**
  - ii. **Growing** and strengthening relationships with existing customers
  - iii. **Acquiring** new customers

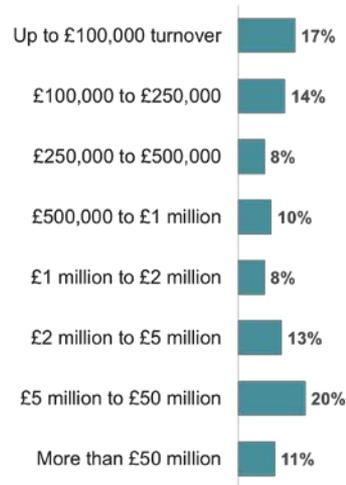
# WE HEARD FROM 1071 SMES ACROSS A WIDE RANGE OF INDUSTRIES, SIZES AND TURNOVER

Size



Our sample comprised of a strong mix of SME sizes, with a skew towards larger organisations. 42% having 1-10 employees and 20% with 11-49 employees.

Turnover



Industries

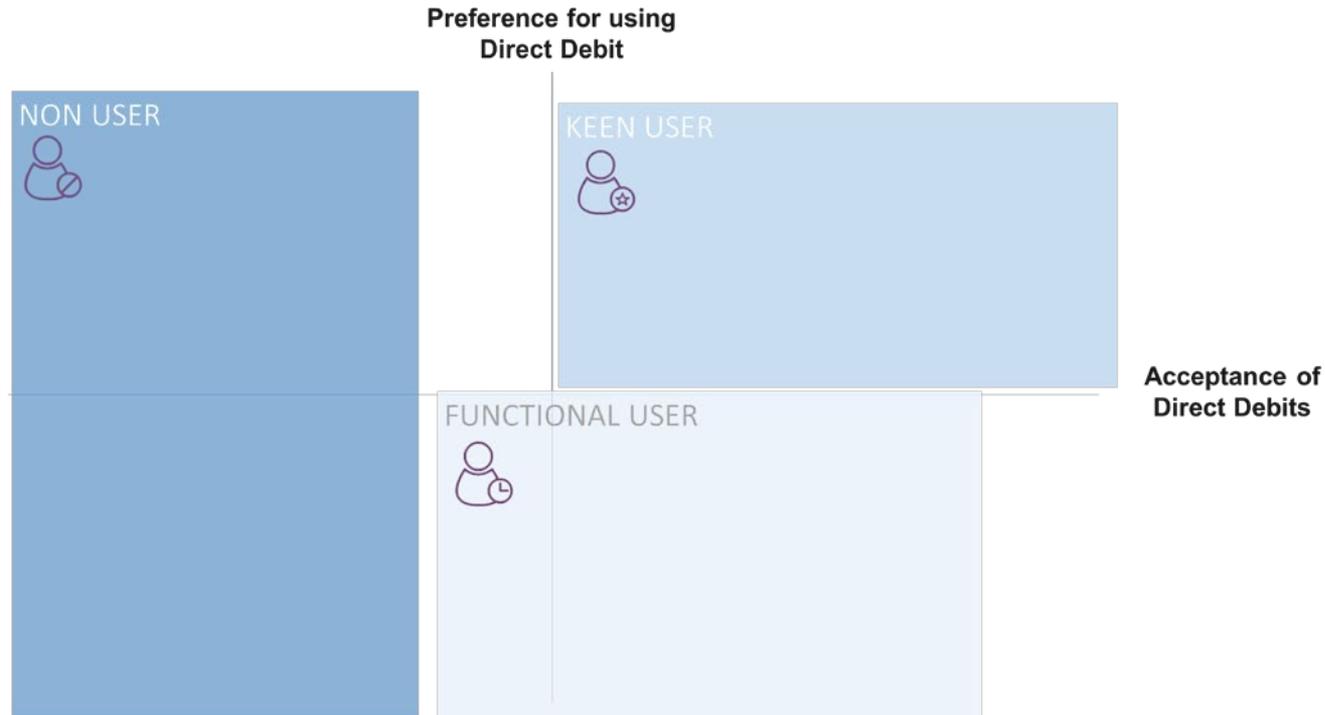
Professional, scientific and technical activities	223
Other service activities	148
Manufacturing	141
Information and communication	115
Financial and insurance activities	109
Construction	47
Administrative and support service activities	43
Wholesale and retail trade; repair of motor vehicles and motorcycles	42
Human health and social work activities	35
Education	30
B, D and E Mining and Quarrying, and Utilities	25
Real estate activities	23
Transportation and storage	20
Arts, entertainment and recreation	19
Agriculture, Forestry and Fishing	12
Other activities of extraterritorial organisations and bodies	9
Public administration and defence; compulsory social security	9
Accommodation and food service activities	4

# SMES AND DIRECT DEBIT

1 OUR APPROACH

2 KEY FINDINGS

# WE HAVE IDENTIFIED THREE KEY SME GROUPS BASED ON THEIR USE OF AND PREFERENCE FOR DIRECT DEBIT AS A FORM OF COLLECTING PAYMENT



# THE THREE SME GROUPS RANGE FROM KEEN USERS WHO RELY ON REGULAR PAYMENTS DIRECT FROM CONSUMERS TO NON USERS WITH COLLECTION NEEDS THAT ARE NOT APPROPRIATE FOR DD



## Keen Users

Larger SMEs (both in terms of number of employees and turnover) that work in industries which rely on a direct consumer relationship



### The University of Edinburgh

- Scotland based university with over 10,000 employees and 37,000 students
- Direct Debits ensure the business continues to function and allows for more time to be spent on developing the service (i.e. the education)
- Clarity and certainty of payments with little hassle or fuss for lots of fixed, long term costs
- With little variation there is also little chance of errors or issues that take up time and resource



## Functional Users

SMEs that opt for DD when collecting regular payments but it is not their preferred payment collection method



### D&G Construction Company

- London based construction company, c.25 employees, covering building work, architecture, design and project management
- Use direct debits to pay set costs that provide functional services (e.g. Wi-Fi and salaries) but use other payment methods for each individual project to provide flexibility and speed
- Allows for control despite varied income



## Non Users

Micro/small SMEs that have difficulty accessing the DD scheme



### The Smiths art gallery

- Employs 5 full time staff to run and maintain the exhibitions and cater to buyers needs
- Large value items but no consistent payments that would be appropriate for DD

SMEs with B2B operations and no consumer relationship



### North Westerly Copper miners

- A small mining management company with global activities
- Large value transactions but few ongoing set costs that would be appropriate for DD

# KEEN USERS OF DIRECT DEBIT ARE LARGER SMES WORKING IN INDUSTRIES THAT RELY ON A STRONG DIRECT CONSUMER RELATIONSHIP

## Profile

### Top 3 industries



Education



Administrative services



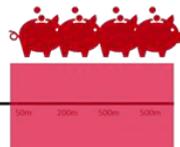
Transport and storage

### Size

**50+**  
employees

### Turnover

100k 250k 500k 1m 2m 5m 10m 20m



## Outgoings

### Top 5 outgoings

Internet/  
Broadband 90%

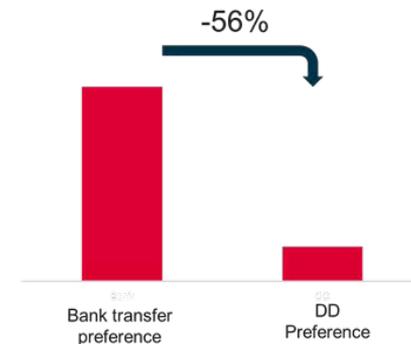
Utility bills 88%

Staff salaries 87%

Mobile phone contracts 85%

Insurance 85%

## Incomings



	Accept	Prefer
DD	52%	12%
Average for DD	44%	7%

# FUNCTIONAL USERS WILL OPT FOR DD WHEN COLLECTING REGULAR PAYMENTS BUT IT IS NOT THEIR PREFERRED METHOD OF COLLECTION

## Profile

### Top 3 industries



Accommodation



Construction



Wholesale and retail trade

### Size

**11-49**  
employees

### Turnover

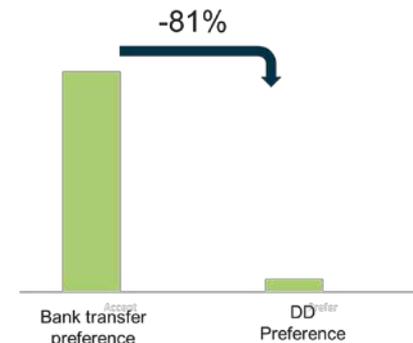


## Outgoings

### Top 5 outgoing

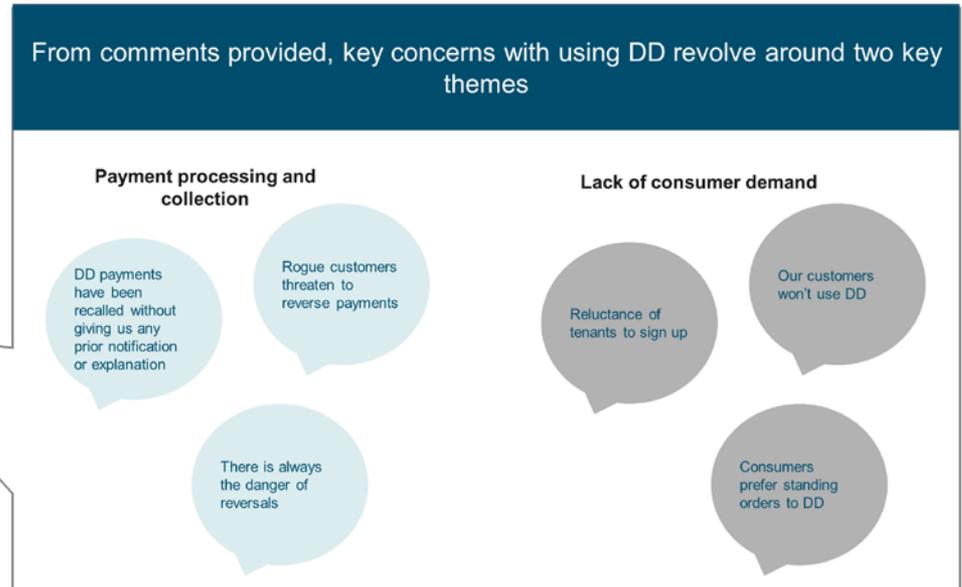
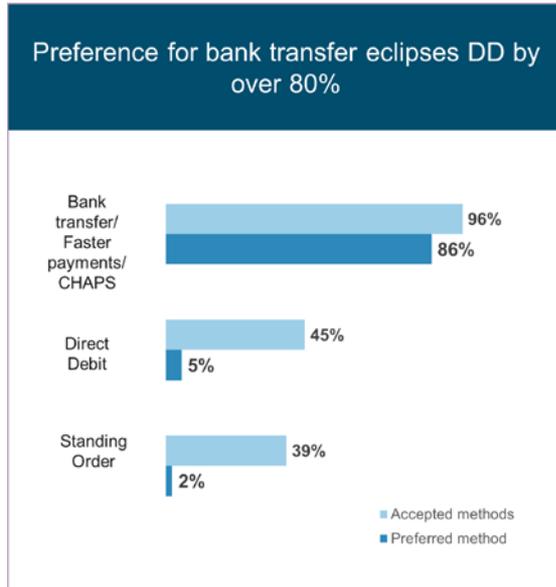


## Incomings

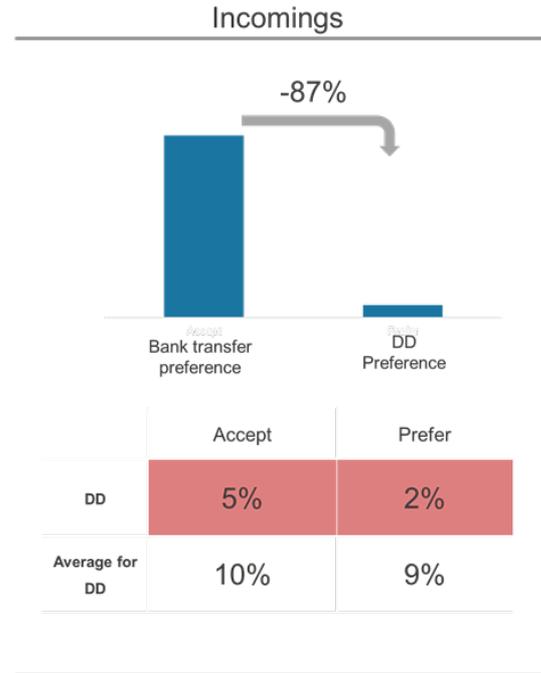
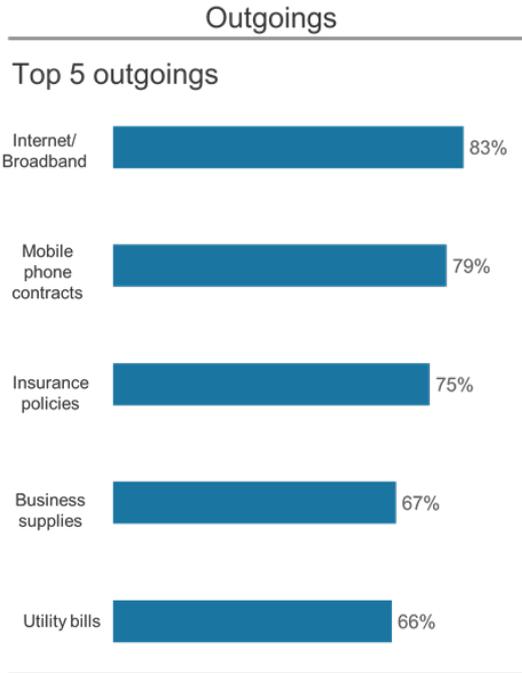


	Accept	Prefer
DD	45%	5%
Average for DD	44%	7%

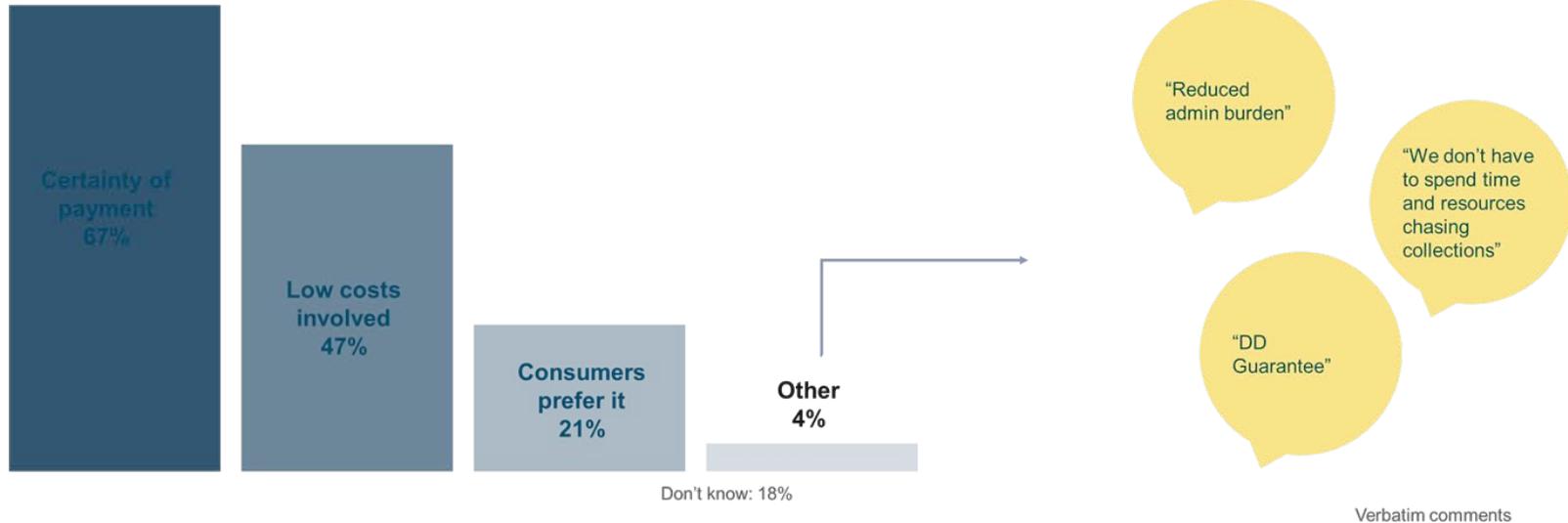
# FOR FUNCTIONAL USERS, BANK TRANSFERS ARE BY FAR THE PREFERRED METHOD OF ACCEPTING PAYMENTS



# NON USERS ARE EITHER SMALLER SMES WHO HAVE DIFFICULTY ACCESSING THE SCHEME OR THOSE WITH B2B OPERATIONS



# FOR BOTH KEEN AND FUNCTIONAL USERS, THE KEY BENEFITS OF USING DIRECT DEBIT ARE CERTAINTY OF PAYMENT AND LOW COSTS



Q What are the benefits to your (primary) organisation of using the Direct Debit service?

Base: All accepting Direct Debit (471)

# FOR NON USERS, THE KEY CONCERNS WITH DD ARE ITS BARRIERS TO ACCESS AND PERCEIVED INABILITY TO CATER TO B2B NEEDS

## What we heard from smaller SMEs

---

Nearly impossible to set this up. Minimum spend prohibitive

We use GoCardless as an intermediary. If we relied on a direct relationship with banks, it would be next to impossible.

The banks consider my business too small to allow me to set up DD

## What we heard from SMEs with B2B operations

---

We only trade B2B – DD is inappropriate for our business

We are a B2B business, our customers are large companies who prefer bank transfer

Business customers don't use Direct Debit

# BACS DIRECT DEBIT CONSULTATION OUTCOMES

## ANNEX 3 – PUBLIC CONSULTATION



## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]		Total Asked	
		33	100%
Base for Statistics: 33 Number of unique values: 33			
Sum	20258.00	Mode	54.00
Minimum value	54.00	Standard Error	60.82
Maximum value	1030.00	Standard Deviation	349.41
Mean	613.88	Error Variance	3699.57
Median	723.00	Variance	122085.86

USER_TEMPUSER [Character response only]		Total Asked	
		33	100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]		Total Asked	
		33	100%
1	Representative of a business group or trade body	0	0%
2	As a consumer	0	0%
3	Representative of a small or medium-sized business (up to 250 employees)	0	0%
4	Representative of an organisation	0	0%
5	Representative of a charity	0	0%
6	Representative of a bank or building society	33	100%
49	Other (please specify)	0	0%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]		Total Asked	
		0	0%
1	1 Difficult and complicated	0	0%
2	2	0	0%
3	3	0	0%
4	4	0	0%
5	5	0	0%
6	6 Easy and straightforward	0	0%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]		Total Asked	
		0	0%
1	More inclined to make Direct Debit payments	0	0%
2	Less inclined to make Direct Debit payments	0	0%
3	Wouldn't affect your choice	0	0%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]		Total Asked	
		0	0%
1	I am aware of it and know what it is	0	0%
2	I have heard of it but don't know what it is	0	0%
3	I am not aware of it	0	0%
4	Don't know	0	0%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]		Total Asked	
		0	0%
1	There should be no Guarantee.	0	0%
2	Up to 4 months from when the payment is collected.	0	0%
3	Up to a year from when the payment is collected.	0	0%
4	Up to 2 years from when the payment is collected.	0	0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	0	0%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		33	100%
1	The current processing cycle is fine.	19	58%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	4	12%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	6	18%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	3	9%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	1	3%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	0	0%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	0	0%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		33	100%
1	1 Difficult and complicated	2	6%
2	2	2	6%
3	3	3	9%
4	4	7	21%
5	5	8	24%
6	6 Easy and straightforward	11	33%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		33	100%
1	More inclined to make Direct Debit payments	16	48%
2	Less inclined to make Direct Debit payments	3	9%
3	Wouldn't affect their choice	14	42%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		33	100%
1	More inclined to make collections by Direct Debit	19	58%
2	Less inclined to make collections by Direct Debit	2	6%
3	Wouldn't affect an organisation's choice	12	36%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		33	100%
1	I am aware of it and know what it is	32	97%
2	I have heard of it but don't know what it is	1	3%
3	I am not aware of it	0	0%
4	Don't know	0	0%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		33	100%
1	There should be no Guarantee.	2	6%
2	Up to 4 months from when the payment is collected.	7	21%
3	Up to a year from when the payment is collected.	15	45%
4	Up to 2 years from when the payment is collected.	7	21%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	2	6%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]			Total Asked
			18 100%
Base for Statistics: 18 Number of unique values: 18			
Sum	8337.00	Mode	6.00
Minimum value	6.00	Standard Error	77.02
Maximum value	1021.00	Standard Deviation	326.76
Mean	463.17	Error Variance	5931.82
Median	455.50	Variance	106772.74

USER_TEMPUSER [Character response only]		
		Total Asked
		18 100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]			Total Asked
			18 100%
1	Representative of a business group or trade body		18 100%
2	As a consumer		0 0%
3	Representative of a small or medium-sized business (up to 250 employees)		0 0%
4	Representative of an organisation		0 0%
5	Representative of a charity		0 0%
6	Representative of a bank or building society		0 0%
49	Other (please specify)		0 0%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]			Total Asked
			0 0%
1	1 Difficult and complicated		0 0%
2	2		0 0%
3	3		0 0%
4	4		0 0%
5	5		0 0%
6	6 Easy and straightforward		0 0%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]			Total Asked
			0 0%
1	More inclined to make Direct Debit payments		0 0%
2	Less inclined to make Direct Debit payments		0 0%
3	Wouldn't affect your choice		0 0%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]			Total Asked
			0 0%
1	I am aware of it and know what it is		0 0%
2	I have heard of it but don't know what it is		0 0%
3	I am not aware of it		0 0%
4	Don't know		0 0%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]			Total Asked
			0 0%
1	There should be no Guarantee.		0 0%
2	Up to 4 months from when the payment is collected.		0 0%
3	Up to a year from when the payment is collected.		0 0%
4	Up to 2 years from when the payment is collected.		0 0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.		0 0%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		18	100%
1	The current processing cycle is fine.	6	33%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	3	17%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	4	22%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	4	22%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	0	0%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	1	6%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	0	0%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		18	100%
1	1 Difficult and complicated	3	17%
2	2	1	6%
3	3	2	11%
4	4	3	17%
5	5	4	22%
6	6 Easy and straightforward	5	28%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		18	100%
1	More inclined to make Direct Debit payments	13	72%
2	Less inclined to make Direct Debit payments	2	11%
3	Wouldn't affect their choice	3	17%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		18	100%
1	More inclined to make collections by Direct Debit	10	56%
2	Less inclined to make collections by Direct Debit	4	22%
3	Wouldn't affect an organisation's choice	4	22%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		18	100%
1	I am aware of it and know what it is	14	78%
2	I have heard of it but don't know what it is	2	11%
3	I am not aware of it	2	11%
4	Don't know	0	0%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		18	100%
1	There should be no Guarantee.	2	11%
2	Up to 4 months from when the payment is collected.	5	28%
3	Up to a year from when the payment is collected.	4	22%
4	Up to 2 years from when the payment is collected.	1	6%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	6	33%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]			Total Asked
			26 100%
Base for Statistics: 26 Number of unique values: 26			
Sum	20009.00	Mode	71.00
Minimum value	71.00	Standard Error	42.67
Maximum value	1015.00	Standard Deviation	217.58
Mean	769.58	Error Variance	1820.75
Median	746.00	Variance	47339.45

USER_TEMPUSER [Character response only]		
		Total Asked
		26 100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]			Total Asked
			26 100%
1	Representative of a business group or trade body		0 0%
2	As a consumer		0 0%
3	Representative of a small or medium-sized business (up to 250 employees)		0 0%
4	Representative of an organisation		0 0%
5	Representative of a charity		26 100%
6	Representative of a bank or building society		0 0%
49	Other (please specify)		0 0%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]			Total Asked
			0 0%
1	1 Difficult and complicated		0 0%
2	2		0 0%
3	3		0 0%
4	4		0 0%
5	5		0 0%
6	6 Easy and straightforward		0 0%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]			Total Asked
			0 0%
1	More inclined to make Direct Debit payments		0 0%
2	Less inclined to make Direct Debit payments		0 0%
3	Wouldn't affect your choice		0 0%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]			Total Asked
			0 0%
1	I am aware of it and know what it is		0 0%
2	I have heard of it but don't know what it is		0 0%
3	I am not aware of it		0 0%
4	Don't know		0 0%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]			Total Asked
			0 0%
1	There should be no Guarantee.		0 0%
2	Up to 4 months from when the payment is collected.		0 0%
3	Up to a year from when the payment is collected.		0 0%
4	Up to 2 years from when the payment is collected.		0 0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.		0 0%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		26	100%
1	The current processing cycle is fine.	10	38%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	3	12%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	5	19%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	7	27%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	0	0%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	0	0%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	1	4%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		26	100%
1	1 Difficult and complicated	1	4%
2	2	2	8%
3	3	3	12%
4	4	6	23%
5	5	6	23%
6	6 Easy and straightforward	8	31%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		26	100%
1	More inclined to make Direct Debit payments	16	62%
2	Less inclined to make Direct Debit payments	1	4%
3	Wouldn't affect their choice	9	35%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		26	100%
1	More inclined to make collections by Direct Debit	18	69%
2	Less inclined to make collections by Direct Debit	0	0%
3	Wouldn't affect an organisation's choice	8	31%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		26	100%
1	I am aware of it and know what it is	23	88%
2	I have heard of it but don't know what it is	2	8%
3	I am not aware of it	0	0%
4	Don't know	1	4%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		26	100%
1	There should be no Guarantee.	2	8%
2	Up to 4 months from when the payment is collected.	10	38%
3	Up to a year from when the payment is collected.	8	31%
4	Up to 2 years from when the payment is collected.	0	0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	6	23%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]			Total Asked
			317 100%
Base for Statistics: 317 Number of unique values: 317			
Sum	161188.00	Mode	17.00
Minimum value	17.00	Standard Error	14.78
Maximum value	1035.00	Standard Deviation	263.10
Mean	508.48	Error Variance	218.37
Median	546.00	Variance	69222.52

USER_TEMPUSER [Character response only]			
			Total Asked
			317 100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]			Total Asked
			317 100%
1	Representative of a business group or trade body	0	0%
2	As a consumer	317	100%
3	Representative of a small or medium-sized business (up to 250 employees)	0	0%
4	Representative of an organisation	0	0%
5	Representative of a charity	0	0%
6	Representative of a bank or building society	0	0%
49	Other (please specify)	0	0%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]			Total Asked
			317 100%
1	1 Difficult and complicated	6	2%
2	2	11	3%
3	3	22	7%
4	4	31	10%
5	5	95	30%
6	6 Easy and straightforward	152	48%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]			Total Asked
			317 100%
1	More inclined to make Direct Debit payments	146	46%
2	Less inclined to make Direct Debit payments	19	6%
3	Wouldn't affect your choice	152	48%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]			Total Asked
			317 100%
1	I am aware of it and know what it is	214	68%
2	I have heard of it but don't know what it is	66	21%
3	I am not aware of it	32	10%
4	Don't know	5	2%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]			Total Asked
			317 100%
1	There should be no Guarantee.	0	0%
2	Up to 4 months from when the payment is collected.	59	19%
3	Up to a year from when the payment is collected.	102	32%
4	Up to 2 years from when the payment is collected.	38	12%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	118	37%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		0	0%
1	The current processing cycle is fine.	0	0%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	0	0%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	0	0%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	0	0%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	0	0%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	0	0%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	0	0%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		0	0%
1	1 Difficult and complicated	0	0%
2	2	0	0%
3	3	0	0%
4	4	0	0%
5	5	0	0%
6	6 Easy and straightforward	0	0%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		0	0%
1	More inclined to make Direct Debit payments	0	0%
2	Less inclined to make Direct Debit payments	0	0%
3	Wouldn't affect their choice	0	0%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		0	0%
1	More inclined to make collections by Direct Debit	0	0%
2	Less inclined to make collections by Direct Debit	0	0%
3	Wouldn't affect an organisation's choice	0	0%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		0	0%
1	I am aware of it and know what it is	0	0%
2	I have heard of it but don't know what it is	0	0%
3	I am not aware of it	0	0%
4	Don't know	0	0%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		0	0%
1	There should be no Guarantee.	0	0%
2	Up to 4 months from when the payment is collected.	0	0%
3	Up to a year from when the payment is collected.	0	0%
4	Up to 2 years from when the payment is collected.	0	0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	0	0%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]		Total Asked	
		93	100%
Base for Statistics: 93 Number of unique values: 93			
Sum	55425.00	Mode	21.00
Minimum value	21.00	Standard Error	28.74
Maximum value	1034.00	Standard Deviation	277.18
Mean	595.97	Error Variance	826.14
Median	651.00	Variance	76830.77

USER_TEMPUSER [Character response only]		Total Asked	
		93	100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]		Total Asked	
		93	100%
1	Representative of a business group or trade body	0	0%
2	As a consumer	0	0%
3	Representative of a small or medium-sized business (up to 250 employees)	0	0%
4	Representative of an organisation	93	100%
5	Representative of a charity	0	0%
6	Representative of a bank or building society	0	0%
49	Other (please specify)	0	0%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]		Total Asked	
		0	0%
1	1 Difficult and complicated	0	0%
2	2	0	0%
3	3	0	0%
4	4	0	0%
5	5	0	0%
6	6 Easy and straightforward	0	0%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]		Total Asked	
		0	0%
1	More inclined to make Direct Debit payments	0	0%
2	Less inclined to make Direct Debit payments	0	0%
3	Wouldn't affect your choice	0	0%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]		Total Asked	
		0	0%
1	I am aware of it and know what it is	0	0%
2	I have heard of it but don't know what it is	0	0%
3	I am not aware of it	0	0%
4	Don't know	0	0%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]		Total Asked	
		0	0%
1	There should be no Guarantee.	0	0%
2	Up to 4 months from when the payment is collected.	0	0%
3	Up to a year from when the payment is collected.	0	0%
4	Up to 2 years from when the payment is collected.	0	0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	0	0%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		93	100%
1	The current processing cycle is fine.	29	31%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	33	35%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	17	18%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	9	10%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	1	1%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	3	3%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	1	1%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		93	100%
1	1 Difficult and complicated	18	19%
2	2	10	11%
3	3	21	23%
4	4	12	13%
5	5	18	19%
6	6 Easy and straightforward	14	15%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		93	100%
1	More inclined to make Direct Debit payments	69	74%
2	Less inclined to make Direct Debit payments	2	2%
3	Wouldn't affect their choice	22	24%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		93	100%
1	More inclined to make collections by Direct Debit	68	73%
2	Less inclined to make collections by Direct Debit	5	5%
3	Wouldn't affect an organisation's choice	20	22%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		93	100%
1	I am aware of it and know what it is	87	94%
2	I have heard of it but don't know what it is	4	4%
3	I am not aware of it	0	0%
4	Don't know	2	2%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		93	100%
1	There should be no Guarantee.	7	8%
2	Up to 4 months from when the payment is collected.	25	27%
3	Up to a year from when the payment is collected.	29	31%
4	Up to 2 years from when the payment is collected.	16	17%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	16	17%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]			Total Asked
			21 100%
Base for Statistics: 21 Number of unique values: 21			
Sum	10077.00	Mode	4.00
Minimum value	4.00	Standard Error	68.41
Maximum value	972.00	Standard Deviation	313.48
Mean	479.86	Error Variance	4679.48
Median	466.00	Variance	98269.03

USER_TEMPUSER [Character response only]		
		Total Asked
		21 100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]			Total Asked
			21 100%
1	Representative of a business group or trade body		0 0%
2	As a consumer		0 0%
3	Representative of a small or medium-sized business (up to 250 employees)		0 0%
4	Representative of an organisation		0 0%
5	Representative of a charity		0 0%
6	Representative of a bank or building society		0 0%
49	Other (please specify)		21 100%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]			Total Asked
			0 0%
1	1 Difficult and complicated		0 0%
2	2		0 0%
3	3		0 0%
4	4		0 0%
5	5		0 0%
6	6 Easy and straightforward		0 0%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]			Total Asked
			0 0%
1	More inclined to make Direct Debit payments		0 0%
2	Less inclined to make Direct Debit payments		0 0%
3	Wouldn't affect your choice		0 0%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]			Total Asked
			0 0%
1	I am aware of it and know what it is		0 0%
2	I have heard of it but don't know what it is		0 0%
3	I am not aware of it		0 0%
4	Don't know		0 0%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]			Total Asked
			0 0%
1	There should be no Guarantee.		0 0%
2	Up to 4 months from when the payment is collected.		0 0%
3	Up to a year from when the payment is collected.		0 0%
4	Up to 2 years from when the payment is collected.		0 0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.		0 0%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		21	100%
1	The current processing cycle is fine.	9	43%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	4	19%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	5	24%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	2	10%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	0	0%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	0	0%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	1	5%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		21	100%
1	1 Difficult and complicated	1	5%
2	2	2	10%
3	3	5	24%
4	4	6	29%
5	5	3	14%
6	6 Easy and straightforward	4	19%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		21	100%
1	More inclined to make Direct Debit payments	11	52%
2	Less inclined to make Direct Debit payments	2	10%
3	Wouldn't affect their choice	8	38%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		21	100%
1	More inclined to make collections by Direct Debit	14	67%
2	Less inclined to make collections by Direct Debit	2	10%
3	Wouldn't affect an organisation's choice	5	24%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		21	100%
1	I am aware of it and know what it is	18	86%
2	I have heard of it but don't know what it is	0	0%
3	I am not aware of it	1	5%
4	Don't know	2	10%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		21	100%
1	There should be no Guarantee.	1	5%
2	Up to 4 months from when the payment is collected.	4	19%
3	Up to a year from when the payment is collected.	7	33%
4	Up to 2 years from when the payment is collected.	4	19%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	5	24%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]		Total Asked	
		592	100%
Base for Statistics: 592 Number of unique values: 592			
Sum	327206.00	Mode	4.00
Minimum value	4.00	Standard Error	11.63
Maximum value	1035.00	Standard Deviation	283.03
Mean	552.71	Error Variance	135.31
Median	569.50	Variance	80104.32

USER_TEMPUSER [Character response only]			
		Total Asked	
		592	100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]		Total Asked	
		592	100%
1	Representative of a business group or trade body	18	3%
2	As a consumer	317	54%
3	Representative of a small or medium-sized business (up to 250 employees)	84	14%
4	Representative of an organisation	93	16%
5	Representative of a charity	26	4%
6	Representative of a bank or building society	33	6%
49	Other (please specify)	21	4%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]		Total Asked	
		317	100%
1	1 Difficult and complicated	6	2%
2	2	11	3%
3	3	22	7%
4	4	31	10%
5	5	95	30%
6	6 Easy and straightforward	152	48%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]		Total Asked	
		317	100%
1	More inclined to make Direct Debit payments	146	46%
2	Less inclined to make Direct Debit payments	19	6%
3	Wouldn't affect your choice	152	48%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]		Total Asked	
		317	100%
1	I am aware of it and know what it is	214	68%
2	I have heard of it but don't know what it is	66	21%
3	I am not aware of it	32	10%
4	Don't know	5	2%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]		Total Asked	
		317	100%
1	There should be no Guarantee.	0	0%
2	Up to 4 months from when the payment is collected.	59	19%
3	Up to a year from when the payment is collected.	102	32%
4	Up to 2 years from when the payment is collected.	38	12%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	118	37%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		275	100%
1	The current processing cycle is fine.	100	36%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	81	29%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	54	20%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	28	10%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	2	1%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	5	2%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	5	2%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		275	100%
1	1 Difficult and complicated	30	11%
2	2	24	9%
3	3	52	19%
4	4	48	17%
5	5	57	21%
6	6 Easy and straightforward	64	23%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		275	100%
1	More inclined to make Direct Debit payments	182	66%
2	Less inclined to make Direct Debit payments	12	4%
3	Wouldn't affect their choice	81	29%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		275	100%
1	More inclined to make collections by Direct Debit	193	70%
2	Less inclined to make collections by Direct Debit	16	6%
3	Wouldn't affect an organisation's choice	66	24%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		275	100%
1	I am aware of it and know what it is	253	92%
2	I have heard of it but don't know what it is	13	5%
3	I am not aware of it	3	1%
4	Don't know	6	2%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		275	100%
1	There should be no Guarantee.	17	6%
2	Up to 4 months from when the payment is collected.	80	29%
3	Up to a year from when the payment is collected.	89	32%
4	Up to 2 years from when the payment is collected.	44	16%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	45	16%

## BACS Direct Debit Survey

Serial number			
RESPONDENTSERIAL [Numeric response only]			Total Asked
			84 100%
Base for Statistics: 84 Number of unique values: 84			
Sum	51912.00	Mode	27.00
Minimum value	27.00	Standard Error	31.17
Maximum value	1028.00	Standard Deviation	285.68
Mean	618.00	Error Variance	971.58
Median	698.00	Variance	81612.43

USER_TEMPUSER [Character response only]		
		Total Asked
		84 100%

Q1. Please select what best describes the capacity in which you will be answering our questions today?			
Q1 [Single response only]			Total Asked
			84 100%
1	Representative of a business group or trade body		0 0%
2	As a consumer		0 0%
3	Representative of a small or medium-sized business (up to 250 employees)	84	100%
4	Representative of an organisation		0 0%
5	Representative of a charity		0 0%
6	Representative of a bank or building society		0 0%
49	Other (please specify)		0 0%

Q2. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
CON2 [Single response only]			Total Asked
			0 0%
1	1 Difficult and complicated		0 0%
2	2		0 0%
3	3		0 0%
4	4		0 0%
5	5		0 0%
6	6 Easy and straightforward		0 0%

Q3. If Direct Debit was to become more flexible about how and when payments could be taken, do you think you would be:			
CON3 [Single response only]			Total Asked
			0 0%
1	More inclined to make Direct Debit payments		0 0%
2	Less inclined to make Direct Debit payments		0 0%
3	Wouldn't affect your choice		0 0%

Q4. Have you heard of the Direct Debit Guarantee?			
CON4 [Single response only]			Total Asked
			0 0%
1	I am aware of it and know what it is		0 0%
2	I have heard of it but don't know what it is		0 0%
3	I am not aware of it		0 0%
4	Don't know		0 0%

Q5. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
CON5 [Single response only]			Total Asked
			0 0%
1	There should be no Guarantee.		0 0%
2	Up to 4 months from when the payment is collected.		0 0%
3	Up to a year from when the payment is collected.		0 0%
4	Up to 2 years from when the payment is collected.		0 0%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.		0 0%

## BACS Direct Debit Survey

Q2. Which of the following statements regarding the Direct Debit processing cycle would you agree with?			
BUS2 [Single response only]		Total Asked	
		84	100%
1	The current processing cycle is fine.	27	32%
2	My organisation would use Direct Debit more if the processing cycle was reduced to the NEXT working day.	34	40%
3	My organisation would use Direct Debit more if the processing cycle was reduced to the SAME working day.	17	20%
4	Reducing the processing cycle would not encourage my organisation to use Direct Debit more.	3	4%
5	My organisation would start using Direct Debit if the processing cycle was reduced to the NEXT working day.	0	0%
6	My organisation would start using Direct Debit if the processing cycle was reduced to the SAME working day.	1	1%
7	Reducing the processing cycle would not encourage my organisation to start using Direct Debit.	2	2%

Q4. On a scale of one to six, where one is difficult and complicated and six is easy and straightforward, what is your view of the process around setting up a Direct Debit?			
BUS4 [Single response only]		Total Asked	
		84	100%
1	1 Difficult and complicated	5	6%
2	2	7	8%
3	3	18	21%
4	4	14	17%
5	5	18	21%
6	6 Easy and straightforward	22	26%

Q5. If Direct Debit was to become more flexible about how and when payments could be taken, do you think consumers would be:			
BUS5 [Single response only]		Total Asked	
		84	100%
1	More inclined to make Direct Debit payments	57	68%
2	Less inclined to make Direct Debit payments	2	2%
3	Wouldn't affect their choice	25	30%

Q6. If Direct Debit was to become more flexible about how and when payments could be taken, do you think businesses or organisations would be:			
BUS6 [Single response only]		Total Asked	
		84	100%
1	More inclined to make collections by Direct Debit	64	76%
2	Less inclined to make collections by Direct Debit	3	4%
3	Wouldn't affect an organisation's choice	17	20%

Q7. Have you heard of the Direct Debit Guarantee?			
BUS7 [Single response only]		Total Asked	
		84	100%
1	I am aware of it and know what it is	79	94%
2	I have heard of it but don't know what it is	4	5%
3	I am not aware of it	0	0%
4	Don't know	1	1%

Q8. For how long after a payment is made by Direct Debit should a claim for a full refund be available, in your opinion?			
BUS8 [Single response only]		Total Asked	
		84	100%
1	There should be no Guarantee.	3	4%
2	Up to 4 months from when the payment is collected.	29	35%
3	Up to a year from when the payment is collected.	26	31%
4	Up to 2 years from when the payment is collected.	16	19%
5	The Guarantee shouldn't have a time limit. You should be able to claim at any time.	10	12%